

FIRST REGULAR SESSION

# SENATE BILL NO. 280

96TH GENERAL ASSEMBLY

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INTRODUCED BY SENATORS PURGASON, LAGER AND RICHARD.

Read 1st time February 15, 2011, and ordered printed.

TERRY L. SPIELER, Secretary.

1537S.011

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## AN ACT

To repeal sections 32.115, 99.1205, 100.286, 100.297, 100.850, 135.010, 135.025, 135.030, 135.150, 135.300, 135.305, 135.307, 135.309, 135.311, 135.313, 135.327, 135.352, 135.460, 135.487, 135.490, 135.535, 135.550, 135.562, 135.575, 135.600, 135.630, 135.700, 135.750, 135.967, 135.1150, 137.1018, 143.119, 143.471, 148.064, 148.400, 208.770, 253.550, 253.557, 253.559, 348.430, 348.432, 348.505, 375.774, 376.745, 376.975, 447.708, 620.495, 620.1881, and 660.055, RSMo, and to enact in lieu thereof thirty-eight new sections relating to tax credits.

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*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Sections 32.115, 99.1205, 100.286, 100.297, 100.850, 135.010, 135.025, 135.030, 135.150, 135.300, 135.305, 135.307, 135.309, 135.311, 135.313, 135.327, 135.352, 135.460, 135.487, 135.490, 135.535, 135.550, 135.562, 135.575, 135.600, 135.630, 135.700, 135.750, 135.967, 135.1150, 137.1018, 143.119, 143.471, 148.064, 148.400, 208.770, 253.550, 253.557, 253.559, 348.430, 348.432, 348.505, 375.774, 376.745, 376.975, 447.708, 620.495, 620.1881, and 660.055, RSMo, are repealed and thirty-eight new sections enacted in lieu thereof, to be known as sections 32.115, 99.1205, 100.286, 100.297, 100.850, 135.010, 135.025, 135.030, 135.150, 135.327, 135.352, 135.460, 135.487, 135.490, 135.550, 135.562, 135.575, 135.600, 135.630, 135.967, 135.1150, 137.1018, 143.471, 148.064, 148.400, 208.770, 253.550, 253.557, 253.559, 348.430, 348.432, 348.505, 375.774, 376.745, 376.975, 447.708, 620.1881, and 660.055, to read as follows:

32.115. 1. The department of revenue shall grant a tax credit, to be applied in the following order until used, against:

(1) The annual tax on gross premium receipts of insurance companies in

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

4 chapter 148;

5 (2) The tax on banks determined pursuant to subdivision (2) of subsection  
6 2 of section 148.030;

7 (3) The tax on banks determined in subdivision (1) of subsection 2 of  
8 section 148.030;

9 (4) The tax on other financial institutions in chapter 148;

10 (5) The corporation franchise tax in chapter 147;

11 (6) The state income tax in chapter 143; and

12 (7) The annual tax on gross receipts of express companies in chapter 153.

13 2. For proposals approved pursuant to section 32.110:

14 (1) **For all taxable years ending on or before December 31, 2011,**  
15 the amount of the tax credit shall not exceed fifty percent of the total amount  
16 contributed during the taxable year by the business firm or, in the case of a  
17 financial institution, where applicable, during the relevant income period in  
18 programs approved pursuant to section 32.110. **For all taxable years**  
19 **beginning on or after January 1, 2012, the amount of the tax credit**  
20 **shall not exceed thirty-five percent of the total amount contributed**  
21 **during the taxable year by the business firm or, in the case of a**  
22 **financial institution, where applicable, during the relevant income**  
23 **period in programs approved pursuant to section 32.110;**

24 (2) Except as provided in subsection 2 or 5 of this section, a tax credit of  
25 up to seventy percent may be allowed for contributions to programs where  
26 activities fall within the scope of special program priorities as defined with the  
27 approval of the governor in regulations promulgated by the director of the  
28 department of economic development;

29 (3) Except as provided in subsection 2 or 5 of this section, the tax credit  
30 allowed for contributions to programs located in any community shall be equal to  
31 seventy percent of the total amount contributed where such community is a city,  
32 town or village which has fifteen thousand or less inhabitants as of the last  
33 decennial census and is located in a county which is either located in:

34 (a) An area that is not part of a standard metropolitan statistical area;

35 (b) A standard metropolitan statistical area but such county has only one  
36 city, town or village which has more than fifteen thousand inhabitants; or

37 (c) A standard metropolitan statistical area and a substantial number of  
38 persons in such county derive their income from agriculture. Such community  
39 may also be in an unincorporated area in such county as provided in subdivision

40 (1), (2) or (3) of this subsection. Except in no case shall the total economic benefit  
41 of the combined federal and state tax savings to the taxpayer exceed the amount  
42 contributed by the taxpayer during the tax year;

43 (4) Such tax credit allocation, equal to seventy percent of the total amount  
44 contributed, shall not exceed four million dollars in fiscal year 1999 and six  
45 million dollars in fiscal year 2000 and any subsequent fiscal year. When the  
46 maximum dollar limit on the seventy percent tax credit allocation is committed,  
47 the tax credit allocation for such programs shall then be equal to fifty percent  
48 credit of the total amount contributed. Regulations establishing special program  
49 priorities are to be promulgated during the first month of each fiscal year and at  
50 such times during the year as the public interest dictates. Such credit shall not  
51 exceed two hundred and fifty thousand dollars annually except as provided in  
52 subdivision (5) of this subsection. No tax credit shall be approved for any bank,  
53 bank and trust company, insurance company, trust company, national bank,  
54 savings association, or building and loan association for activities that are a part  
55 of its normal course of business. Any tax credit not used in the period the  
56 contribution was made may be carried over the next five succeeding calendar or  
57 fiscal years until the full credit has been claimed. Except as otherwise provided  
58 for proposals approved pursuant to section 32.111, 32.112 or 32.117, in no event  
59 shall the total amount of all other tax credits allowed pursuant to sections 32.100  
60 to 32.125 exceed thirty-two million dollars in any one fiscal year, of which six  
61 million shall be credits allowed pursuant to section 135.460. If six million dollars  
62 in credits are not approved, then the remaining credits may be used for programs  
63 approved pursuant to sections 32.100 to 32.125;

64 (5) The credit may exceed two hundred fifty thousand dollars annually  
65 and shall not be limited if community services, crime prevention, education, job  
66 training, physical revitalization or economic development, as defined by section  
67 32.105, is rendered in an area defined by federal or state law as an impoverished,  
68 economically distressed, or blighted area or as a neighborhood experiencing  
69 problems endangering its existence as a viable and stable neighborhood, or if the  
70 community services, crime prevention, education, job training, physical  
71 revitalization or economic development is limited to impoverished persons.

72 3. For proposals approved pursuant to section 32.111:

73 (1) **For all taxable years ending on or before December 31, 2011,**  
74 the amount of the tax credit shall not exceed fifty-five percent of the total amount  
75 invested in affordable housing assistance activities or market rate housing in

76 distressed communities as defined in section 135.530 by a business firm. **For all**  
77 **taxable years beginning on or after January 1, 2012, the amount of the**  
78 **tax credit shall not exceed forty percent of the total amount invested**  
79 **in affordable housing assistance activities or market rate housing in**  
80 **distressed communities as defined in section 135.530 by a business**  
81 **firm.** Whenever such investment is made in the form of an equity investment or  
82 a loan, as opposed to a donation alone, tax credits may be claimed only where the  
83 loan or equity investment is accompanied by a donation which is eligible for  
84 federal income tax charitable deduction, and where the total value of the tax  
85 credits herein plus the value of the federal income tax charitable deduction is less  
86 than or equal to the value of the donation. Any tax credit not used in the period  
87 for which the credit was approved may be carried over the next ten succeeding  
88 calendar or fiscal years until the full credit has been allowed. If the affordable  
89 housing units or market rate housing units in distressed communities for which  
90 a tax is claimed are within a larger structure, parts of which are not the subject  
91 of a tax credit claim, then expenditures applicable to the entire structure shall  
92 be reduced on a prorated basis in proportion to the ratio of the number of square  
93 feet devoted to the affordable housing units or market rate housing units in  
94 distressed communities, for purposes of determining the amount of the tax  
95 credit. The total amount of tax credit granted for programs approved pursuant  
96 to section 32.111 for the fiscal year beginning July 1, 1991, shall not exceed two  
97 million dollars, to be increased by no more than two million dollars each  
98 succeeding fiscal year, until the total tax credits that may be approved reaches  
99 ten million dollars in any fiscal year;

100 (2) For any year during the compliance period indicated in the land use  
101 restriction agreement, the owner of the affordable housing rental units for which  
102 a credit is being claimed shall certify to the commission that all tenants renting  
103 claimed units are income eligible for affordable housing units and that the rentals  
104 for each claimed unit are in compliance with the provisions of sections 32.100 to  
105 32.125. The commission is authorized, in its discretion, to audit the records and  
106 accounts of the owner to verify such certification;

107 (3) In the case of owner-occupied affordable housing units, the qualifying  
108 owner occupant shall, before the end of the first year in which credits are  
109 claimed, certify to the commission that the occupant is income eligible during the  
110 preceding two years, and at the time of the initial purchase contract, but not  
111 thereafter. The qualifying owner occupant shall further certify to the commission,

112 before the end of the first year in which credits are claimed, that during the  
113 compliance period indicated in the land use restriction agreement, the cost of the  
114 affordable housing unit to the occupant for the claimed unit can reasonably be  
115 projected to be in compliance with the provisions of sections 32.100 to  
116 32.125. Any succeeding owner occupant acquiring the affordable housing unit  
117 during the compliance period indicated in the land use restriction agreement  
118 shall make the same certification;

119 (4) If at any time during the compliance period the commission determines  
120 a project for which a proposal has been approved is not in compliance with the  
121 applicable provisions of sections 32.100 to 32.125 or rules promulgated therefor,  
122 the commission may within one hundred fifty days of notice to the owner either  
123 seek injunctive enforcement action against the owner, or seek legal damages  
124 against the owner representing the value of the tax credits, or foreclose on the  
125 lien in the land use restriction agreement, selling the project at a public sale, and  
126 paying to the owner the proceeds of the sale, less the costs of the sale and less the  
127 value of all tax credits allowed herein. The commission shall remit to the director  
128 of revenue the portion of the legal damages collected or the sale proceeds  
129 representing the value of the tax credits. However, except in the event of  
130 intentional fraud by the taxpayer, the proposal's certificate of eligibility for tax  
131 credits shall not be revoked.

132 **4. For all taxable years ending on or before December 31, 2011,**  
133 for proposals approved pursuant to section 32.112, the amount of the tax credit  
134 shall not exceed fifty-five percent of the total amount contributed to a  
135 neighborhood organization by business firms. **For all taxable years beginning**  
136 **on or after January 1, 2012, for proposals approved pursuant to section**  
137 **32.112, the amount of the tax credit shall not exceed forty percent of**  
138 **the total amount contributed to a neighborhood organization by**  
139 **business firms.** Any tax credit not used in the period for which the credit was  
140 approved may be carried over the next ten succeeding calendar or fiscal years  
141 until the full credit has been allowed. The total amount of tax credit granted for  
142 programs approved pursuant to section 32.112 shall not exceed one million dollars  
143 for each fiscal year.

144 5. The total amount of tax credits used for market rate housing in  
145 distressed communities pursuant to sections 32.100 to 32.125 shall not exceed  
146 thirty percent of the total amount of all tax credits authorized pursuant to  
147 sections 32.111 and 32.112.

148           **6. Notwithstanding any provision of law to the contrary, no tax**  
149           **credits provided under sections 32.100 to 32.125 shall be authorized on**  
150           **or after August 28, 2015. The provisions of this subsection shall not be**  
151           **construed to limit or in any way impair the department's ability to**  
152           **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**  
153           **ability to redeem such tax credits.**

          99.1205. 1. This section shall be known and may be cited as the  
2 "Distressed Areas Land Assemblage Tax Credit Act".

3           2. As used in this section, the following terms mean:

4           (1) "Acquisition costs", the purchase price for the eligible parcel, costs of  
5 environmental assessments, closing costs, real estate brokerage fees, reasonable  
6 demolition costs of vacant structures, and reasonable maintenance costs incurred  
7 to maintain an acquired eligible parcel for a period of five years after the  
8 acquisition of such eligible parcel. Acquisition costs shall not include costs for  
9 title insurance and survey, attorney's fees, relocation costs, fines, or bills from a  
10 municipality;

11          (2) "Applicant", any person, firm, partnership, trust, limited liability  
12 company, or corporation which has:

13          (a) Incurred, within an eligible project area, acquisition costs for the  
14 acquisition of land sufficient to satisfy the requirements under subdivision (8) of  
15 this subsection; and

16          (b) Been appointed or selected, pursuant to a redevelopment agreement  
17 by a municipal authority, as a redeveloper or similar designation, under an  
18 economic incentive law, to redevelop an urban renewal area or a redevelopment  
19 area that includes all of an eligible project area or whose redevelopment plan or  
20 redevelopment area, which encompasses all of an eligible project area, has been  
21 approved or adopted under an economic incentive law. In addition to being  
22 designated the redeveloper, the applicant shall have been designated to receive  
23 economic incentives only after the municipal authority has considered the amount  
24 of the tax credits in adopting such economic incentives as provided in subsection  
25 8 of this section. The redevelopment agreement shall provide that:

26          a. The funds generated through the use or sale of the tax credits issued  
27 under this section shall be used to redevelop the eligible project area;

28          b. No more than seventy-five percent of the urban renewal area identified  
29 in the urban renewal plan or the redevelopment area identified in the  
30 redevelopment plan may be redeveloped by the applicant; and

31           c. The remainder of the urban renewal area or the redevelopment area  
32 shall be redeveloped by co-redevelopers or redevelopers to whom the applicant  
33 has assigned its redevelopment rights and obligations under the urban renewal  
34 plan or the redevelopment plan;

35           (3) "Certificate", a tax credit certificate issued under this section;

36           (4) "Condemnation proceedings", any action taken by, or on behalf of, an  
37 applicant to initiate an action in a court of competent jurisdiction to use the  
38 power of eminent domain to acquire a parcel within the eligible project  
39 area. Condemnation proceedings shall include any and all actions taken after the  
40 submission of a notice of intended acquisition to an owner of a parcel within the  
41 eligible project area by a municipal authority or any other person or entity under  
42 section 523.250;

43           (5) "Department", the Missouri department of economic development;

44           (6) "Economic incentive laws", any provision of Missouri law pursuant to  
45 which economic incentives are provided to redevelopers of a parcel or parcels to  
46 redevelop the land, such as tax abatement or payments in lieu of taxes, or  
47 redevelopment plans or redevelopment projects approved or adopted which  
48 include the use of economic incentives to redevelop the land. Economic incentive  
49 laws include, but are not limited to, the land clearance for redevelopment  
50 authority law under sections 99.300 to 99.660, the real property tax increment  
51 allocation redevelopment act under sections 99.800 to 99.865, the Missouri  
52 downtown and rural economic stimulus act under sections 99.915 to 99.1060, and  
53 the downtown revitalization preservation program under sections 99.1080 to  
54 99.1092;

55           (7) "Eligible parcel", a parcel:

56           (a) Which is located within an eligible project area;

57           (b) Which is to be redeveloped;

58           (c) On which the applicant has not commenced construction prior to  
59 November 28, 2007;

60           (d) Which has been acquired without the commencement of any  
61 condemnation proceedings with respect to such parcel brought by or on behalf of  
62 the applicant. Any parcel acquired by the applicant from a municipal authority  
63 shall not constitute an eligible parcel; and

64           (e) On which all outstanding taxes, fines, and bills levied by municipal  
65 governments that were levied by the municipality during the time period that the  
66 applicant held title to the eligible parcel have been paid in full;

67 (8) "Eligible project area", an area which shall have satisfied the following  
68 requirements:

69 (a) The eligible project area shall consist of at least seventy-five acres and  
70 may include parcels within its boundaries that do not constitute an eligible  
71 parcel;

72 (b) At least eighty percent of the eligible project area shall be located  
73 within a Missouri qualified census tract area, as designated by the United States  
74 Department of Housing and Urban Development under 26 U.S.C. Section 42, or  
75 within a distressed community as that term is defined in section 135.530;

76 (c) The eligible parcels acquired by the applicant within the eligible  
77 project area shall total at least fifty acres, which may consist of contiguous and  
78 noncontiguous parcels;

79 (d) The average number of parcels per acre in an eligible project area  
80 shall be four or more;

81 (e) Less than five percent of the acreage within the boundaries of the  
82 eligible project area shall consist of owner-occupied residences which the  
83 applicant has identified for acquisition under the urban renewal plan or the  
84 redevelopment plan pursuant to which the applicant was appointed or selected  
85 as the redeveloper or by which the person or entity was qualified as an applicant  
86 under this section on the date of the approval or adoption of such plan;

87 (9) "Interest costs", interest, loan fees, and closing costs. Interest costs  
88 shall not include attorney's fees;

89 (10) "Maintenance costs", costs of boarding up and securing vacant  
90 structures, costs of removing trash, and costs of cutting grass and weeds;

91 (11) "Municipal authority", any city, town, village, county, public body  
92 corporate and politic, political subdivision, or land trust of this state established  
93 and authorized to own land within the state;

94 (12) "Municipality", any city, town, village, or county;

95 (13) "Parcel", a single lot or tract of land, and the improvements thereon,  
96 owned by, or recorded as the property of, one or more persons or entities;

97 (14) "Redeveloped", the process of undertaking and carrying out a  
98 redevelopment plan or urban renewal plan pursuant to which the conditions  
99 which provided the basis for an eligible project area to be included in a  
100 redevelopment plan or urban renewal plan are to be reduced or eliminated by  
101 redevelopment or rehabilitation; and

102 (15) "Redevelopment agreement", the redevelopment agreement or similar



103 agreement into which the applicant entered with a municipal authority and which  
104 is the agreement for the implementation of the urban renewal plan or  
105 redevelopment plan pursuant to which the applicant was appointed or selected  
106 as the redeveloper or by which the person or entity was qualified as an applicant  
107 under this section; and such appointment or selection shall have been approved  
108 by an ordinance of the governing body of the municipality, or municipalities, or  
109 in the case of any city not within a county, the board of aldermen, in which the  
110 eligible project area is located. The redevelopment agreement shall include a  
111 time line for redevelopment of the eligible project area. The redevelopment  
112 agreement shall state that the named developer shall be subject to the provisions  
113 of chapter 290.

114         3. Any applicant shall be entitled to a tax credit against the taxes  
115 imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265,  
116 in an amount equal to fifty percent of the acquisition costs, and one hundred  
117 percent of the interest costs incurred for a period of five years after the  
118 acquisition of an eligible parcel. No tax credits shall be issued under this section  
119 until after January 1, 2008. **No new applications for certificates shall be**  
120 **approved after August 28, 2011.**

121         4. If the amount of such tax credit exceeds the total tax liability for the  
122 year in which the applicant is entitled to receive a tax credit, the amount that  
123 exceeds the state tax liability may be carried forward for credit against the taxes  
124 imposed under chapters 143, 147, and 148 for the succeeding six years, or until  
125 the full credit is used, whichever occurs first. The applicant shall not be entitled  
126 to a tax credit for taxes imposed under sections 143.191 to 143.265. Applicants  
127 entitled to receive such tax credits may transfer, sell, or assign the tax  
128 credits. Tax credits granted to a partnership, a limited liability company taxed  
129 as a partnership, or multiple owners of property shall be passed through to the  
130 partners, members, or owners respectively pro rata or pursuant to an executed  
131 agreement among the partners, members, or owners documenting an alternate  
132 distribution method.

133         5. A purchaser, transferee, or assignee of the tax credits authorized under  
134 this section may use acquired tax credits to offset up to one hundred percent of  
135 the tax liabilities otherwise imposed under chapters 143, 147, and 148, except for  
136 sections 143.191 to 143.265. A seller, transferor, or assignor shall perfect such  
137 transfer by notifying the department in writing within thirty calendar days  
138 following the effective date of the transfer and shall provide any information as

139 may be required by the department to administer and carry out the provisions of  
140 this section.

141           6. To claim tax credits authorized under this section, an applicant shall  
142 submit to the department an application for a certificate. An applicant shall  
143 identify the boundaries of the eligible project area in the application. The  
144 department shall verify that the applicant has submitted a valid application in  
145 the form and format required by the department. The department shall verify  
146 that the municipal authority held the requisite hearings and gave the requisite  
147 notices for such hearings in accordance with the applicable economic incentive  
148 act, and municipal ordinances. On an annual basis, an applicant may file for the  
149 tax credit for the acquisition costs, and for the tax credit for the interest costs,  
150 subject to the limitations of this section. If an applicant applying for the tax  
151 credit meets the criteria required under this section, the department shall issue  
152 a certificate in the appropriate amount. If an applicant receives a tax credit for  
153 maintenance costs as a part of the applicant's acquisition costs, the department  
154 shall post on its Internet website the amount and type of maintenance costs and  
155 a description of the redevelopment project for which the applicant received a tax  
156 credit within thirty days after the department issues the certificate to the  
157 applicant.

158           7. The total aggregate amount of tax credits authorized under this section  
159 shall not exceed ninety-five million dollars. At no time shall the annual amount  
160 of the tax credits issued under this section exceed twenty million dollars. If the  
161 tax credits that are to be issued under this section exceed, in any year, the twenty  
162 million dollar limitation, the department shall either:

163           (1) Issue tax credits to the applicant in the amount of twenty million  
164 dollars, if there is only one applicant entitled to receive tax credits in that year;  
165 or

166           (2) Issue the tax credits on a pro rata basis to all applicants entitled to  
167 receive tax credits in that year. Any amount of tax credits, which an applicant  
168 is, or applicants are, entitled to receive on an annual basis and are not issued due  
169 to the twenty million dollar limitation, shall be carried forward for the benefit of  
170 the applicant or applicants to subsequent years. No tax credits provided under  
171 this section shall be authorized after August 28, 2013. Any tax credits which  
172 have been authorized on or before August 28, 2013, but not issued, may be issued,  
173 subject to the limitations provided under this subsection, until all such  
174 authorized tax credits have been issued.

175           8. Upon issuance of any tax credits pursuant to this section, the  
176 department shall report to the municipal authority the applicant's name and  
177 address, the parcel numbers of the eligible parcels for which the tax credits were  
178 issued, the itemized acquisition costs and interest costs for which tax credits were  
179 issued, and the total value of the tax credits issued. The municipal authority and  
180 the state shall not consider the amount of the tax credits as an applicant's cost,  
181 but shall include the tax credits in any sources and uses and cost benefit analysis  
182 reviewed or created for the purpose of awarding other economic incentives. The  
183 amount of the tax credits shall not be considered an applicant's cost in the  
184 evaluation of the amount of any award of any other economic incentives, but shall  
185 be considered in measuring the reasonableness of the rate of return to the  
186 applicant with respect to such award of other economic incentives. The municipal  
187 authority shall provide the report to any relevant commission, board, or entity  
188 responsible for the evaluation and recommendation or approval of other economic  
189 incentives to assist in the redevelopment of the eligible project area. Tax credits  
190 authorized under this section shall constitute redevelopment tax credits, as such  
191 term is defined under section 135.800, and shall be subject to all provisions  
192 applicable to redevelopment tax credits provided under sections 135.800 to  
193 135.830.

194           9. The department may promulgate rules to implement the provisions of  
195 this section. Any rule or portion of a rule, as that term is defined in section  
196 536.010, that is created under the authority delegated in this section shall  
197 become effective only if it complies with and is subject to all of the provisions of  
198 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are  
199 nonseverable and if any of the powers vested with the general assembly pursuant  
200 to chapter 536 to review, to delay the effective date, or to disapprove and annul  
201 a rule are subsequently held unconstitutional, then the grant of rulemaking  
202 authority and any rule proposed or adopted after August 28, 2007, shall be  
203 invalid and void.

100.286. 1. Within the discretion of the board, the development and  
2 reserve fund, the infrastructure development fund or the export finance fund may  
3 be pledged to secure the payment of any bonds or notes issued by the board, or  
4 to secure the payment of any loan made by the board or a participating lender  
5 which loan:

- 6           (1) Is requested to finance any project or export trade activity;
- 7           (2) Is requested by a borrower who is demonstrated to be financially

8 responsible;

9 (3) Can reasonably be expected to provide a benefit to the economy of this  
10 state;

11 (4) Is otherwise secured by a mortgage or deed of trust on real or personal  
12 property or other security satisfactory to the board; provided that loans to finance  
13 export trade activities may be secured by export accounts receivable or  
14 inventories of exportable goods satisfactory to the board;

15 (5) Does not exceed five million dollars;

16 (6) Does not have a term longer than five years if such loan is made to  
17 finance export trade activities; and

18 (7) Is, when used to finance export trade activities, made to small or  
19 medium size businesses or agricultural businesses, as may be defined by the  
20 board.

21 2. The board shall prescribe standards for the evaluation of the financial  
22 condition, business history, and qualifications of each borrower and the terms and  
23 conditions of loans which may be secured, and may require each application to  
24 include a financial report and evaluation by an independent certified public  
25 accounting firm, in addition to such examination and evaluation as may be  
26 conducted by any participating lender.

27 3. Each application for a loan secured by the development and reserve  
28 fund, the infrastructure development fund or the export finance fund shall be  
29 reviewed in the first instance by any participating lender to whom the application  
30 was submitted. If satisfied that the standards prescribed by the board are met  
31 and that the loan is otherwise eligible to be secured by the development and  
32 reserve fund, the infrastructure development fund or the export finance fund, the  
33 participating lender shall certify the same and forward the application for final  
34 approval to the board.

35 4. The securing of any loans by the development and reserve fund, the  
36 infrastructure development fund or the export finance fund shall be conditioned  
37 upon approval of the application by the board, and receipt of an annual reserve  
38 participation fee, as prescribed by the board, submitted by or on behalf of the  
39 borrower.

40 5. The securing of any loan by the export finance fund for export trade  
41 activities shall be conditioned upon the board's compliance with any applicable  
42 treaties and international agreements, such as the general agreement on tariffs  
43 and trade and the subsidies code, to which the United States is then a party.

44           **6. For any taxable year ending on or before December 31, 2011,**  
45 any taxpayer, including any charitable organization that is exempt from federal  
46 income tax and whose Missouri unrelated business taxable income, if any, would  
47 be subject to the state income tax imposed under chapter 143, may, subject to the  
48 limitations provided under subsection 8 of this section, receive a tax credit  
49 against any tax otherwise due under the provisions of chapter 143, excluding  
50 withholding tax imposed by sections 143.191 to 143.261, chapter 147, or chapter  
51 148, in the amount of fifty percent of any amount contributed in money or  
52 property by the taxpayer to the development and reserve fund, the infrastructure  
53 development fund or the export finance fund during the taxpayer's tax year,  
54 provided, however, the total tax credits awarded in any calendar year beginning  
55 after January 1, 1994, shall not be the greater of ten million dollars or five  
56 percent of the average growth in general revenue receipts in the preceding three  
57 fiscal years. **For taxable years beginning on or after January 1, 2012, any**  
58 **taxpayer, including any charitable organization that is exempt from**  
59 **federal income tax and whose Missouri unrelated business taxable**  
60 **income, if any, would be subject to the state income tax imposed under**  
61 **chapter 143, may, subject to the limitations provided under subsection**  
62 **8 of this section, receive a tax credit against any tax otherwise due**  
63 **under the provisions of chapter 143, excluding withholding tax imposed**  
64 **by sections 143.191 to 143.261, chapter 147, or chapter 148, in the**  
65 **amount of thirty-five percent of any amount contributed in money or**  
66 **property by the taxpayer to the development and reserve fund, the**  
67 **infrastructure development fund or the export finance fund during the**  
68 **taxpayer's tax year, provided, however, the total tax credits awarded**  
69 **in any calendar year shall not be the greater of ten million dollars or**  
70 **five percent of the average growth in general revenue receipts in the**  
71 **preceding three fiscal years.** This limit may be exceeded only upon joint  
72 agreement by the commissioner of administration, the director of the department  
73 of economic development, and the director of the department of revenue that such  
74 action is essential to ensure retention or attraction of investment in Missouri. If  
75 the board receives, as a contribution, real property, the contributor at such  
76 contributor's own expense shall have two independent appraisals conducted by  
77 appraisers certified by the Master Appraisal Institute. Both appraisals shall be  
78 submitted to the board, and the tax credit certified by the board to the  
79 contributor shall be based upon the value of the lower of the two appraisals.

80 The board shall not certify the tax credit until the property is deeded to the  
81 board. Such credit shall not apply to reserve participation fees paid by borrowers  
82 under sections 100.250 to 100.297. The portion of earned tax credits which  
83 exceeds the taxpayer's tax liability may be carried forward for up to five years.

84 7. Notwithstanding any provision of law to the contrary, any taxpayer  
85 may sell, assign, exchange, convey or otherwise transfer tax credits allowed in  
86 subsection 6 of this section under the terms and conditions prescribed in  
87 subdivisions (1) and (2) of this subsection. Such taxpayer, hereinafter the  
88 assignor for the purpose of this subsection, may sell, assign, exchange or  
89 otherwise transfer earned tax credits:

90 (1) For no less than seventy-five percent of the par value of such credits;  
91 and

92 (2) In an amount not to exceed one hundred percent of annual earned  
93 credits. The taxpayer acquiring earned credits, hereinafter the assignee for the  
94 purpose of this subsection, may use the acquired credits to offset up to one  
95 hundred percent of the tax liabilities otherwise imposed by chapter 143, excluding  
96 withholding tax imposed by sections 143.191 to 143.261, chapter 147, or chapter  
97 148. Unused credits in the hands of the assignee may be carried forward for up  
98 to five years, provided all such credits shall be claimed within ten years following  
99 the tax years in which the contribution was made. The assignor shall enter into  
100 a written agreement with the assignee establishing the terms and conditions of  
101 the agreement and shall perfect such transfer by notifying the board in writing  
102 within thirty calendar days following the effective day of the transfer and shall  
103 provide any information as may be required by the board to administer and carry  
104 out the provisions of this section. Notwithstanding any other provision of law to  
105 the contrary, the amount received by the assignor of such tax credit shall be  
106 taxable as income of the assignor, and the excess of the par value of such credit  
107 over the amount paid by the assignee for such credit shall be taxable as income  
108 of the assignee.

109 8. Provisions of subsections 1 to 7 of this section to the contrary  
110 notwithstanding, no more than ten million dollars in tax credits provided under  
111 this section, may be authorized or approved annually. The limitation on tax  
112 credit authorization and approval provided under this subsection may be exceeded  
113 only upon mutual agreement, evidenced by a signed and properly notarized letter,  
114 by the commissioner of the office of administration, the director of the department  
115 of economic development, and the director of the department of revenue that such

116 action is essential to ensure retention or attraction of investment in Missouri  
117 provided, however, that in no case shall more than twenty-five million dollars in  
118 tax credits be authorized or approved during such year. Taxpayers shall file,  
119 with the board, an application for tax credits authorized under this section on a  
120 form provided by the board. The provisions of this subsection shall not be  
121 construed to limit or in any way impair the ability of the board to authorize tax  
122 credits for issuance for projects authorized or approved, by a vote of the board,  
123 on or before the thirtieth day following the effective date of this act, or a  
124 taxpayer's ability to redeem such tax credits.

125 **9. Notwithstanding any provision of law to the contrary, no tax**  
126 **credits provided under this section shall be authorized on or after**  
127 **August 28, 2015. The provisions of this subsection shall not be**  
128 **construed to limit or in any way impair the department's ability to**  
129 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**  
130 **ability to redeem such tax credits.**

100.297. 1. The board may authorize a tax credit, as described in this  
2 section, to the owner of any revenue bonds or notes issued by the board pursuant  
3 to the provisions of sections 100.250 to 100.297, for infrastructure facilities as  
4 defined in subdivision (9) of section 100.255, if, prior to the issuance of such  
5 bonds or notes, the board determines that:

6 (1) The availability of such tax credit is a material inducement to the  
7 undertaking of the project in the state of Missouri and to the sale of the bonds or  
8 notes;

9 (2) The loan with respect to the project is adequately secured by a first  
10 deed of trust or mortgage or comparable lien, or other security satisfactory to the  
11 board.

12 2. Upon making the determinations specified in subsection 1 of this  
13 section, the board may declare that each owner of an issue of revenue bonds or  
14 notes shall be entitled, in lieu of any other deduction with respect to such bonds  
15 or notes, to a tax credit against any tax otherwise due by such owner pursuant  
16 to the provisions of chapter 143, excluding withholding tax imposed by sections  
17 143.191 to 143.261, chapter 147, or chapter 148, in the amount of one hundred  
18 percent of the unpaid principal of and unpaid interest on such bonds or notes  
19 held by such owner in the taxable year of such owner following the calendar year  
20 of the default of the loan by the borrower with respect to the project. The  
21 occurrence of a default shall be governed by documents authorizing the issuance

22 of the bonds. The tax credit allowed pursuant to this section shall be available  
23 to the original owners of the bonds or notes or any subsequent owner or owners  
24 thereof. Once an owner is entitled to a claim, any such tax credits shall be  
25 transferable as provided in subsection 7 of section 100.286. Notwithstanding any  
26 provision of Missouri law to the contrary, any portion of the tax credit to which  
27 any owner of a revenue bond or note is entitled pursuant to this section which  
28 exceeds the total income tax liability of such owner of a revenue bond or note  
29 shall be carried forward and allowed as a credit against any future taxes imposed  
30 on such owner within the next ten years pursuant to the provisions of chapter  
31 143, excluding withholding tax imposed by sections 143.191 to 143.261, chapter  
32 147, or chapter 148. The eligibility of the owner of any revenue bond or note  
33 issued pursuant to the provisions of sections 100.250 to 100.297 for the tax credit  
34 provided by this section shall be expressly stated on the face of each such bond  
35 or note. The tax credit allowed pursuant to this section shall also be available  
36 to any financial institution or guarantor which executes any credit facility as  
37 security for bonds issued pursuant to this section to the same extent as if such  
38 financial institution or guarantor was an owner of the bonds or notes, provided  
39 however, in such case the tax credits provided by this section shall be available  
40 immediately following any default of the loan by the borrower with respect to the  
41 project. In addition to reimbursing the financial institution or guarantor for  
42 claims relating to unpaid principal and interest, such claim may include payment  
43 of any unpaid fees imposed by such financial institution or guarantor for use of  
44 the credit facility.

45         3. The aggregate principal amount of revenue bonds or notes outstanding  
46 at any time with respect to which the tax credit provided in this section shall be  
47 available shall not exceed fifty million dollars.

48         **4. Notwithstanding any provision of law to the contrary, no tax**  
49 **credits provided under this section shall be authorized on or after**  
50 **August 28, 2015. The provisions of this subsection shall not be**  
51 **construed to limit or in any way impair the department's ability to**  
52 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**  
53 **ability to redeem such tax credits.**

100.850. 1. The approved company shall remit to the board a job  
2 development assessment fee, not to exceed five percent of the gross wages of each  
3 eligible employee whose job was created as a result of the economic development  
4 project, or not to exceed ten percent if the economic development project is located



5 within a distressed community as defined in section 135.530, for the purpose of  
6 retiring bonds which fund the economic development project.

7 2. Any approved company remitting an assessment as provided in  
8 subsection 1 of this section shall make its payroll books and records available to  
9 the board at such reasonable times as the board shall request and shall file with  
10 the board documentation respecting the assessment as the board may require.

11 3. Any assessment remitted pursuant to subsection 1 of this section shall  
12 cease on the date the bonds are retired.

13 4. Any approved company which has paid an assessment for debt  
14 reduction shall be allowed a tax credit equal to the amount of the  
15 assessment. The tax credit may be claimed against taxes otherwise imposed by  
16 chapters 143 and 148, except withholding taxes imposed under the provisions of  
17 sections 143.191 to 143.265, which were incurred during the tax period in which  
18 the assessment was made.

19 5. In no event shall the aggregate amount of tax credits authorized by  
20 subsection 4 of this section exceed twenty-five million dollars annually. Of such  
21 amount, nine hundred fifty thousand dollars shall be reserved for an approved  
22 project for a world headquarters of a business whose primary function is tax  
23 return preparation that is located in any home rule city with more than four  
24 hundred thousand inhabitants and located in more than one county, which  
25 amount reserved shall end in the year of the final maturity of the certificates  
26 issued for such approved project.

27 6. The director of revenue shall issue a refund to the approved company  
28 to the extent that the amount of credits allowed in subsection 4 of this section  
29 exceeds the amount of the approved company's income tax.

30 **7. Notwithstanding any provision of law to the contrary, no tax**  
31 **credits provided under this section shall be authorized on or after**  
32 **August 28, 2015. The provisions of this subsection shall not be**  
33 **construed to limit or in any way impair the department's ability to**  
34 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**  
35 **ability to redeem such tax credits.**

135.010. As used in sections 135.010 to 135.030 the following words and  
2 terms mean:

3 (1) "Claimant", a person or persons claiming a credit under sections  
4 135.010 to 135.030. If the persons are eligible to file a joint federal income tax  
5 return and reside at the same address at any time during the taxable year, then

6 the credit may only be allowed if claimed on a combined Missouri income tax  
7 return or a combined claim return reporting their combined incomes and property  
8 taxes. A claimant shall not be allowed a property tax credit unless the claimant  
9 or spouse has attained the age of sixty-five on or before the last day of the  
10 calendar year and the claimant or spouse was a resident of Missouri for the entire  
11 year, or the claimant or spouse is a veteran of any branch of the armed forces of  
12 the United States or this state who became one hundred percent disabled as a  
13 result of such service, or the claimant or spouse is disabled as defined in  
14 subdivision (2) of this section, and such claimant or spouse provides proof of such  
15 disability in such form and manner, and at such times, as the director of revenue  
16 may require, or if the claimant has reached the age of sixty on or before the last  
17 day of the calendar year and such claimant received surviving spouse Social  
18 Security benefits during the calendar year and the claimant provides proof, as  
19 required by the director of revenue, that the claimant received surviving spouse  
20 Social Security benefits during the calendar year for which the credit will be  
21 claimed. A claimant shall not be allowed a property tax credit if the claimant  
22 filed a valid claim for a credit under section 137.106 in the year following the  
23 year for which the property tax credit is claimed. The residency requirement  
24 shall be deemed to have been fulfilled for the purpose of determining the  
25 eligibility of a surviving spouse for a property tax credit if a person of the age of  
26 sixty-five years or older who would have otherwise met the requirements for a  
27 property tax credit dies before the last day of the calendar year. The residency  
28 requirement shall also be deemed to have been fulfilled for the purpose of  
29 determining the eligibility of a claimant who would have otherwise met the  
30 requirements for a property tax credit but who dies before the last day of the  
31 calendar year;

32 (2) "Disabled", the inability to engage in any substantial gainful activity  
33 by reason of any medically determinable physical or mental impairment which  
34 can be expected to result in death or which has lasted or can be expected to last  
35 for a continuous period of not less than twelve months. A claimant shall not be  
36 required to be gainfully employed prior to such disability to qualify for a property  
37 tax credit;

38 (3) ["Gross rent", amount paid by a claimant to a landlord for the rental,  
39 at arm's length, of a homestead during the calendar year, exclusive of charges for  
40 health and personal care services and food furnished as part of the rental  
41 agreement, whether or not expressly set out in the rental agreement. If the

42 director of revenue determines that the landlord and tenant have not dealt at  
43 arm's length, and that the gross rent is excessive, then he shall determine the  
44 gross rent based upon a reasonable amount of rent. Gross rent shall be deemed  
45 to be paid only if actually paid prior to the date a return is filed. The director of  
46 revenue may prescribe regulations requiring a return of information by a landlord  
47 receiving rent, certifying for a calendar year the amount of gross rent received  
48 from a tenant claiming a property tax credit and shall, by regulation, provide a  
49 method for certification by the claimant of the amount of gross rent paid for any  
50 calendar year for which a claim is made. The regulations authorized by this  
51 subdivision may require a landlord or a tenant or both to provide data relating  
52 to health and personal care services and to food. Neither a landlord nor a tenant  
53 may be required to provide data relating to utilities, furniture, home furnishings  
54 or appliances;

55 (4) "Homestead", the dwelling in Missouri owned [or rented] by the  
56 claimant and not to exceed five acres of land surrounding it as is reasonably  
57 necessary for use of the dwelling as a home. It may consist of part of a  
58 multidwelling or multipurpose building and part of the land upon which it is  
59 built. "Owned" includes a vendee in possession under a land contract and one or  
60 more tenants by the entireties, joint tenants, or tenants in common and includes  
61 a claimant actually in possession if he was the immediate former owner of record,  
62 if a lineal descendant is presently the owner of record, and if the claimant  
63 actually pays all taxes upon the property. It may include a mobile home;

64 [(5)] (4) "Income", Missouri adjusted gross income as defined in section  
65 143.121 less two thousand dollars, or in the case of a homestead owned and  
66 occupied, for the entire year, by the claimant, less four thousand dollars as an  
67 exemption for the claimant's spouse residing at the same address, and increased,  
68 where necessary, to reflect the following:

69 (a) Social Security, railroad retirement, and veterans payments and  
70 benefits unless the claimant is a one hundred percent service-connected, disabled  
71 veteran or a spouse of a one hundred percent service-connected, disabled  
72 veteran. The one hundred percent service-connected disabled veteran shall not  
73 be required to list veterans payments and benefits;

74 (b) The total amount of all other public and private pensions and  
75 annuities;

76 (c) Public relief, public assistance, and unemployment benefits received  
77 in cash, other than benefits received under this chapter;

78 (d) No deduction being allowed for losses not incurred in a trade or  
79 business;

80 (e) Interest on the obligations of the United States, any state, or any of  
81 their subdivisions and instrumentalities;

82 [(6)] (5) "Property taxes accrued", property taxes paid, exclusive of  
83 special assessments, penalties, interest, and charges for service levied on a  
84 claimant's homestead in any calendar year. Property taxes shall qualify for the  
85 credit only if actually paid prior to the date a return is filed. The director of  
86 revenue shall require a tax receipt or other proof of property tax payment. If a  
87 homestead is owned only partially by claimant, then "property taxes accrued" is  
88 that part of property taxes levied on the homestead which was actually paid by  
89 the claimant. For purposes of this subdivision, property taxes are "levied" when  
90 the tax roll is delivered to the director of revenue for collection. If a claimant  
91 owns a homestead part of the preceding calendar year and rents it or a different  
92 homestead for part of the same year, "property taxes accrued" means only taxes  
93 levied on the homestead both owned and occupied by the claimant, multiplied by  
94 the percentage of twelve months that such property was owned and occupied as  
95 the homestead of the claimant during the year. When a claimant owns and  
96 occupies two or more different homesteads in the same calendar year, property  
97 taxes accrued shall be the sum of taxes allocable to those several properties  
98 occupied by the claimant as a homestead for the year. If a homestead is an  
99 integral part of a larger unit such as a farm, or multipurpose or multidwelling  
100 building, property taxes accrued shall be that percentage of the total property  
101 taxes accrued as the value of the homestead is of the total value. For purposes  
102 of this subdivision "unit" refers to the parcel of property covered by a single tax  
103 statement of which the homestead is a part[;

104 (7) "Rent constituting property taxes accrued", twenty percent of the gross  
105 rent paid by a claimant and spouse in the calendar year].

135.025. The property taxes accrued [and rent constituting property taxes  
2 accrued] on each return shall be totaled. This total, up to [seven hundred fifty  
3 dollars in rent constituting property taxes actually paid or] eleven hundred  
4 dollars in actual property tax paid, shall be used in determining the property tax  
5 credit. The director of revenue shall prescribe regulations providing for  
6 allocations where part of a claimant's homestead is rented to another or used for  
7 nondwelling purposes or where a homestead is owned [or rented] or used as a  
8 dwelling for part of a year.

135.030. 1. As used in this section:

2 (1) The term "maximum upper limit" shall, for each calendar year after  
3 December 31, 1997, but before calendar year 2008, be the sum of twenty-five  
4 thousand dollars. For all calendar years beginning on or after January 1, 2008,  
5 the maximum upper limit shall be the sum of twenty-seven thousand five  
6 hundred dollars. In the case of a homestead owned and occupied for the entire  
7 year by the claimant, the maximum upper limit shall be the sum of thirty  
8 thousand dollars;

9 (2) The term "minimum base" shall, for each calendar year after December  
10 31, 1997, but before calendar year 2008, be the sum of thirteen thousand  
11 dollars. For all calendar years beginning on or after January 1, 2008, the  
12 minimum base shall be the sum of fourteen thousand three hundred dollars.

13 2. If the income on a return is equal to or less than the maximum upper  
14 limit for the calendar year for which the return is filed, the property tax credit  
15 shall be determined from a table of credits based upon the amount by which the  
16 total property tax described in section 135.025 exceeds the percent of income in  
17 the following list:

18 If the income on the return is:	The percent is:
19 Not over the minimum base	0 percent with credit
20	not to exceed \$1,100
21	in actual property tax
22	[or rent equivalent] paid
23	up to \$750
24 Over the minimum base but	1/16 percent accumulative
25 not over the maximum upper	per \$300 from 0 percent
26 limit	to 4 percent.

27 The director of revenue shall prescribe a table based upon the preceding  
28 sentences. The property tax shall be in increments of twenty-five dollars and the  
29 income in increments of three hundred dollars. The credit shall be the amount  
30 rounded to the nearest whole dollar computed on the basis of the property tax  
31 and income at the midpoints of each increment. As used in this subsection, the  
32 term "accumulative" means an increase by continuous or repeated application of  
33 the percent to the income increment at each three hundred dollar level.

34 3. Notwithstanding subsection 4 of section 32.057, the department of  
35 revenue or any duly authorized employee or agent shall determine whether any  
36 taxpayer filing a report or return with the department of revenue who has not

37 applied for the credit allowed pursuant to section 135.020 may qualify for the  
38 credit, and shall notify any qualified claimant of the claimant's potential  
39 eligibility, where the department determines such potential eligibility exists.

135.150. 1. Until January 1, 1987, the director of revenue shall prescribe  
2 such rules and regulations necessary to carry out the provisions of sections  
3 135.100 to 135.150.

4 2. Beginning January 1, 1987, the director of economic development shall  
5 prescribe the method for submitting applications for claiming the tax credits  
6 allowed in subsections 2 and 3 of section 135.110 and shall, if such application  
7 or portion thereof is approved, certify same to the director of revenue or the  
8 director of the department of insurance, financial institutions and professional  
9 registration that the taxpayer claiming the credits has satisfied all requirements  
10 prescribed in sections 135.100 to 135.150 and is therefore eligible to claim the  
11 credits. The director of economic development shall also calculate and specify the  
12 amount of the credit earned by the taxpayer during the taxpayer's first taxable  
13 year in which such credits are claimed and for each of the nine succeeding taxable  
14 years the credits are claimed by the taxpayer and shall certify such amounts to  
15 the director of revenue or the director of the department of insurance, financial  
16 institutions and professional registration and shall notify the taxpayer in writing  
17 of the action taken on his request for the credits and if the request for credits is  
18 disallowed, the director of economic development shall state the reason or reasons  
19 the claim for credit was disallowed. The director shall certify the extent to which  
20 earned credits can be claimed to the director of revenue or the director of the  
21 department of insurance, financial institutions and professional registration and  
22 shall notify the taxpayer in writing of such determination. The director of  
23 economic development may prescribe such rules and regulations necessary to  
24 carry out the provisions of sections 135.100 to 135.150.

25 3. The director of revenue and, when appropriate, the director of the  
26 department of insurance, financial institutions and professional registration may  
27 prescribe rules and regulations necessary to process the credits following  
28 certification by the director of economic development. No rule or portion of a rule  
29 promulgated under the authority of sections 135.100 to 135.160 shall become  
30 effective unless it has been promulgated pursuant to the provisions of section  
31 536.024.

32 4. Any taxpayer who has submitted an application for claiming tax credits  
33 as allowed in section 135.110 may file with the director of economic development,

34 a protest within sixty days (one hundred fifty days if the taxpayer is outside the  
35 United States) after the date of such certification notice or the date of the notice  
36 denying such certification. The protest shall be in writing and shall set forth the  
37 grounds on which the protest is based.

38 5. If a protest is filed, the director of economic development shall consider  
39 the taxpayer's grounds for protest and make a determination concerning such  
40 protest. The director of economic development shall notify the taxpayer in  
41 writing of such determination within thirty days following the date on which the  
42 written protest was received. Such notice shall be mailed to the taxpayer by  
43 certified or registered mail and such notice shall set forth briefly the director of  
44 economic development's findings of fact and the basis of decision.

45 6. The decision of the director of economic development on the taxpayer's  
46 protest is final upon the expiration of thirty days from the date when he mails  
47 notice of his action to the taxpayer unless within this period, the taxpayer seeks  
48 review of the director of economic development's determination by the  
49 administrative hearing commission, which is hereby authorized.

50 **7. Notwithstanding any provision of law to the contrary, no tax**  
51 **credits provided under this section shall be authorized on or after**  
52 **August 28, 2015. The provisions of this subsection shall not be**  
53 **construed to limit or in any way impair the department's ability to**  
54 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**  
55 **ability to redeem such tax credits.**

135.327. 1. As used in this section, the following terms shall mean:

2 (1) "CASA", an entity which receives funding from the court-appointed  
3 special advocate fund established under section 476.777, including an association  
4 based in this state, affiliated with a national association, organized to provide  
5 support to entities receiving funding from the court-appointed special advocate  
6 fund;

7 (2) "Child advocacy centers", the regional child assessment centers listed  
8 in subsection 2 of section 210.001;

9 (3) "Contribution", amount of donation to qualified agency;

10 (4) "Crisis care center", entities contracted with this state which provide  
11 temporary care for children whose age ranges from birth through seventeen years  
12 of age whose parents or guardian are experiencing an unexpected and unstable  
13 or serious condition that requires immediate action resulting in short-term care,  
14 usually three to five continuous, uninterrupted days, for children who may be at

15 risk for child abuse, neglect, or in an emergency situation;

16 (5) "Department", the department of revenue;

17 (6) "Director", the director of the department of revenue;

18 (7) "Qualified agency", CASA, child advocacy centers, or a crisis care  
19 center;

20 (8) "Tax liability", the tax due under chapter 143 other than taxes  
21 withheld under sections 143.191 to 143.265.

22 2. Any person residing in this state who legally adopts a special needs  
23 child on or after January 1, 1988, and before January 1, 2000, shall be eligible to  
24 receive a tax credit of up to ten thousand dollars for nonrecurring adoption  
25 expenses for each child adopted that may be applied to taxes due under chapter  
26 143. Any business entity providing funds to an employee to enable that employee  
27 to legally adopt a special needs child shall be eligible to receive a tax credit of up  
28 to ten thousand dollars for nonrecurring adoption expenses for each child adopted  
29 that may be applied to taxes due under such business entity's state tax liability,  
30 except that only one ten thousand dollar credit is available for each special needs  
31 child that is adopted.

32 3. Any person residing in this state who proceeds in good faith with the  
33 adoption of a special needs child on or after January 1, 2000, shall be eligible to  
34 receive a tax credit of up to ten thousand dollars for nonrecurring adoption  
35 expenses for each child that may be applied to taxes due under chapter 143;  
36 provided, however, that beginning on or after July 1, 2004, two million dollars of  
37 the tax credits allowed shall be allocated for the adoption of special needs  
38 children who are residents or wards of residents of this state at the time the  
39 adoption is initiated. Any business entity providing funds to an employee to  
40 enable that employee to proceed in good faith with the adoption of a special needs  
41 child shall be eligible to receive a tax credit of up to ten thousand dollars for  
42 nonrecurring adoption expenses for each child that may be applied to taxes due  
43 under such business entity's state tax liability, except that only one ten thousand  
44 dollar credit is available for each special needs child that is adopted.

45 4. Individuals and business entities may claim a tax credit for their total  
46 nonrecurring adoption expenses in each year that the expenses are incurred. A  
47 claim for fifty percent of the credit shall be allowed when the child is placed in  
48 the home. A claim for the remaining fifty percent shall be allowed when the  
49 adoption is final. The total of these tax credits shall not exceed the maximum  
50 limit of ten thousand dollars per child. The cumulative amount of tax credits



51 which may be claimed by taxpayers claiming the credit for nonrecurring adoption  
52 expenses in any one fiscal year prior to July 1, 2004, shall not exceed two million  
53 dollars. The cumulative amount of tax credits that may be claimed by taxpayers  
54 claiming the credit for nonrecurring adoption expenses shall not be more than  
55 four million dollars but may be increased by appropriation in any fiscal year  
56 beginning on or after July 1, 2004; provided, however, that by December  
57 thirty-first following each July, if less than two million dollars in credits have  
58 been issued for adoption of special needs children who are not residents or wards  
59 of residents of this state at the time the adoption is initiated, the remaining  
60 amount of the cap shall be available for the adoption of special needs children  
61 who are residents or wards of residents of this state at the time the adoption is  
62 initiated. For all fiscal years beginning on or after July 1, 2006, applications to  
63 claim the adoption tax credit for special needs children who are residents or  
64 wards of residents of this state at the time the adoption is initiated shall be filed  
65 between July first and April fifteenth of each fiscal year. For all fiscal years  
66 beginning on or after July 1, 2006, applications to claim the adoption tax credit  
67 for special needs children who are not residents or wards of residents of this state  
68 at the time the adoption is initiated shall be filed between July first and  
69 December thirty-first of each fiscal year.

70 5. Notwithstanding any provision of law to the contrary, any individual  
71 or business entity may assign, transfer or sell tax credits allowed in this  
72 section. Any sale of tax credits claimed pursuant to this section shall be at a  
73 discount rate of seventy-five percent or greater of the amount sold.

74 6. The director of revenue shall establish a procedure by which, for each  
75 fiscal year, the cumulative amount of tax credits authorized in this section is  
76 equally apportioned among all taxpayers within the two categories specified in  
77 subsection 3 of this section claiming the credit in that fiscal year. To the  
78 maximum extent possible, the director of revenue shall establish the procedure  
79 described in this subsection in such a manner as to ensure that taxpayers within  
80 each category can claim all the tax credits possible up to the cumulative amount  
81 of tax credits available for the fiscal year.

82 7. For all tax years beginning on or after January 1, 2006, **but ending**  
83 **on or before December 31, 2011**, a tax credit may be claimed in an amount  
84 equal to up to fifty percent of a verified contribution to a qualified agency and  
85 shall be named the children in crisis tax credit. **For all tax years beginning**  
86 **on or after January 1, 2012, a tax credit may be claimed in an amount**

87 **equal to up to thirty-five percent of a verified contribution to a**  
88 **qualified agency and shall be named the children in crisis tax**  
89 **credit.** The minimum amount of any tax credit issued shall not be less than fifty  
90 dollars and shall be applied to taxes due under chapter 143, excluding sections  
91 143.191 to 143.265. A contribution verification shall be issued to the taxpayer by  
92 the agency receiving the contribution. Such contribution verification shall include  
93 the taxpayer's name, Social Security number, amount of tax credit, amount of  
94 contribution, the name and address of the agency receiving the credit, and the  
95 date the contribution was made. The tax credit provided under this subsection  
96 shall be initially filed for the year in which the verified contribution is made.

97         8. The cumulative amount of the tax credits redeemed shall not exceed the  
98 unclaimed portion of the resident adoption category allocation as described in this  
99 section. The director of revenue shall determine the unclaimed portion  
100 available. The amount available shall be equally divided among the three  
101 qualified agencies: CASA, child advocacy centers, or crisis care centers to be used  
102 towards tax credits issued. In the event tax credits claimed under one agency do  
103 not total the allocated amount for that agency, the unused portion for that agency  
104 will be made available to the remaining agencies equally. In the event the total  
105 amount of tax credits claimed for any one agency exceeds the amount available  
106 for that agency, the amount redeemed shall and will be apportioned equally to all  
107 eligible taxpayers claiming the credit under that agency. After all children in  
108 crisis tax credits have been claimed, any remaining unclaimed portion of the  
109 reserved allocation for adoptions of special needs children who are residents or  
110 wards of residents of this state shall then be made available for adoption tax  
111 credit claims of special needs children who are not residents or wards of residents  
112 of this state at the time the adoption is initiated.

113         9. Prior to December thirty-first of each year, the entities listed under the  
114 definition of qualified agency shall apply to the department of social services in  
115 order to verify their qualified agency status. Upon a determination that the  
116 agency is eligible to be a qualified agency, the department of social services shall  
117 provide a letter of eligibility to such agency. No later than February first of each  
118 year, the department of social services shall provide a list of qualified agencies  
119 to the department of revenue. All tax credit applications to claim the children in  
120 crisis tax credit shall be filed between July first and April fifteenth of each fiscal  
121 year. A taxpayer shall apply for the children in crisis tax credit by attaching a  
122 copy of the contribution verification provided by a qualified agency to such

123 taxpayer's income tax return.

124           10. The tax credits provided under this section shall be subject to the  
125 provisions of section 135.333.

126           11. (1) In the event a credit denial, due to lack of available funds, causes  
127 a balance-due notice to be generated by the department of revenue, or any other  
128 redeeming agency, the taxpayer will not be held liable for any penalty or interest,  
129 provided the balance is paid, or approved payment arrangements have been  
130 made, within sixty days from the notice of denial.

131           (2) In the event the balance is not paid within sixty days from the notice  
132 of denial, the remaining balance shall be due and payable under the provisions  
133 of chapter 143.

134           12. The director shall calculate the level of appropriation necessary to  
135 issue all tax credits for nonresident special needs adoptions applied for under this  
136 section and provide such calculation to the speaker of the house of  
137 representatives, the president pro tempore of the senate, and the director of the  
138 division of budget and planning in the office of administration by January  
139 thirty-first of each year.

140           13. The department may promulgate such rules or regulations as are  
141 necessary to administer the provisions of this section. Any rule or portion of a  
142 rule, as that term is defined in section 536.010, that is created under the  
143 authority delegated in this section shall become effective only if it complies with  
144 and is subject to all of the provisions of chapter 536 and, if applicable, section  
145 536.028. This section and chapter 536 are nonseverable and if any of the powers  
146 vested with the general assembly pursuant to chapter 536 to review, to delay the  
147 effective date, or to disapprove and annul a rule are subsequently held  
148 unconstitutional, then the grant of rulemaking authority and any rule proposed  
149 or adopted after August 28, 2006, shall be invalid and void.

150           14. Pursuant to section 23.253 of the Missouri sunset act:

151           (1) The provisions of the new program authorized under subsections 7 to  
152 12 of this section shall automatically sunset six years after August 28, 2006,  
153 unless reauthorized by an act of the general assembly; and

154           (2) If such program is reauthorized, the program authorized under this  
155 section shall automatically sunset twelve years after the effective date of the  
156 reauthorization of this section; and

157           (3) This section shall terminate on September first of the calendar year  
158 immediately following the calendar year in which the program authorized under

159 this section is sunset.

135.352. 1. A taxpayer owning an interest in a qualified Missouri project  
2 shall, subject to the limitations provided under the provisions of [subsection 3]  
3 **subsections 2, 3, and 7** of this section, be allowed a state tax credit, whether  
4 or not allowed a federal tax credit, to be termed the Missouri low-income housing  
5 tax credit, if the commission issues an eligibility statement for that project.

6 2. For qualified Missouri projects placed in service after January 1, 1997,  
7 **but before December 31, 2011**, the Missouri low-income housing tax credit  
8 available to a project shall be such amount as the commission shall determine is  
9 necessary to ensure the feasibility of the project, up to an amount equal to the  
10 federal low-income housing tax credit for a qualified Missouri project, for a  
11 federal tax period, and such amount shall be subtracted from the amount of state  
12 tax otherwise due for the same tax period. **For qualified Missouri projects**  
13 **placed in service after January 1, 2012, the Missouri low-income**  
14 **housing tax credit available to a project shall be such amount as the**  
15 **commission shall determine is necessary to ensure the feasibility of the**  
16 **project, up to an amount equal to the federal low-income housing tax**  
17 **credit for a qualified Missouri project, for a three-year tax period, and**  
18 **such amount shall be subtracted from the amount of state tax otherwise**  
19 **due for the same tax period. No more than sixteen million dollars in**  
20 **tax credits provided under sections 135.350 to 135.363 shall be**  
21 **authorized in any calendar year beginning on or after January 1, 2012.**

22 3. No more than six million dollars in tax credits shall be authorized each  
23 fiscal year for projects financed through tax-exempt bond issuance. **No tax**  
24 **credits shall be authorized after January 1, 2012, for projects financed**  
25 **through tax-exempt bond issuance.**

26 4. The Missouri low-income housing tax credit shall be taken against the  
27 taxes and in the order specified pursuant to section 32.115. The credit authorized  
28 by this section shall not be refundable. Any amount of credit that exceeds the tax  
29 due for a taxpayer's taxable year may be carried back to any of the taxpayer's  
30 three prior taxable years or carried forward to any of the taxpayer's five  
31 subsequent taxable years.

32 5. All or any portion of Missouri tax credits issued in accordance with the  
33 provisions of sections 135.350 to 135.362 may be allocated to parties who are  
34 eligible pursuant to the provisions of subsection 1 of this section. Beginning  
35 January 1, 1995, for qualified projects which began on or after January 1, 1994,

36 an owner of a qualified Missouri project shall certify to the director the amount  
37 of credit allocated to each taxpayer. The owner of the project shall provide to the  
38 director appropriate information so that the low-income housing tax credit can be  
39 properly allocated.

40 6. In the event that recapture of Missouri low-income housing tax credits  
41 is required pursuant to subsection 2 of section 135.355, any statement submitted  
42 to the director as provided in this section shall include the proportion of the state  
43 credit required to be recaptured, the identity of each taxpayer subject to the  
44 recapture and the amount of credit previously allocated to such taxpayer.

45 7. **A taxpayer that receives tax credits under the provisions of**  
46 **sections 253.545 to 253.559 shall be ineligible to receive tax credits**  
47 **under the provisions of sections 135.350 to 135.363 for the same project.**

48 8. The director of the department may promulgate rules and regulations  
49 necessary to administer the provisions of this section. No rule or portion of a rule  
50 promulgated pursuant to the authority of this section shall become effective  
51 unless it has been promulgated pursuant to the provisions of section 536.024.

52 9. **Notwithstanding any provision of law to the contrary, no tax**  
53 **credits provided under this section shall be authorized on or after**  
54 **August 28, 2015. The provisions of this subsection shall not be**  
55 **construed to limit or in any way impair the department's ability to**  
56 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**  
57 **ability to redeem such tax credits.**

135.460. 1. This section and sections 620.1100 and 620.1103 shall be  
2 known and may be cited as the "Youth Opportunities and Violence Prevention  
3 Act".

4 2. As used in this section, the term "taxpayer" shall include corporations  
5 as defined in section 143.441 or 143.471, any charitable organization which is  
6 exempt from federal income tax and whose Missouri unrelated business taxable  
7 income, if any, would be subject to the state income tax imposed under chapter  
8 143, and individuals, individual proprietorships and partnerships.

9 3. A taxpayer shall be allowed a tax credit against the tax otherwise due  
10 pursuant to chapter 143, excluding withholding tax imposed by sections 143.191  
11 to 143.265, chapter 147, chapter 148, or chapter 153 in an amount equal to thirty  
12 percent for property contributions and fifty percent for monetary contributions of  
13 the amount such taxpayer contributed to the programs described in subsection 5  
14 of this section, not to exceed two hundred thousand dollars per taxable year, per

15 taxpayer; except as otherwise provided in subdivision (5) of subsection 5 of this  
16 section. The department of economic development shall prescribe the method for  
17 claiming the tax credits allowed in this section. No rule or portion of a rule  
18 promulgated under the authority of this section shall become effective unless it  
19 has been promulgated pursuant to the provisions of chapter 536. All rulemaking  
20 authority delegated prior to June 27, 1997, is of no force and effect and repealed;  
21 however, nothing in this section shall be interpreted to repeal or affect the  
22 validity of any rule filed or adopted prior to June 27, 1997, if such rule complied  
23 with the provisions of chapter 536. The provisions of this section and chapter 536  
24 are nonseverable and if any of the powers vested with the general assembly  
25 pursuant to chapter 536, including the ability to review, to delay the effective  
26 date, or to disapprove and annul a rule or portion of a rule, are subsequently held  
27 unconstitutional, then the purported grant of rulemaking authority and any rule  
28 so proposed and contained in the order of rulemaking shall be invalid and void.

29         4. The tax credits allowed by this section shall be claimed by the taxpayer  
30 to offset the taxes that become due in the taxpayer's tax period in which the  
31 contribution was made. Any tax credit not used in such tax period may be carried  
32 over the next five succeeding tax periods.

33         5. The tax credit allowed by this section may only be claimed for monetary  
34 or property contributions to public or private programs authorized to participate  
35 pursuant to this section by the department of economic development and may be  
36 claimed for the development, establishment, implementation, operation, and  
37 expansion of the following activities and programs:

38         (1) An adopt-a-school program. Components of the adopt-a-school  
39 program shall include donations for school activities, seminars, and functions;  
40 school-business employment programs; and the donation of property and  
41 equipment of the corporation to the school;

42         (2) Expansion of programs to encourage school dropouts to reenter and  
43 complete high school or to complete a graduate equivalency degree program;

44         (3) Employment programs. Such programs shall initially, but not  
45 exclusively, target unemployed youth living in poverty and youth living in areas  
46 with a high incidence of crime;

47         (4) New or existing youth clubs or associations;

48         (5) Employment/internship/apprenticeship programs in business or trades  
49 for persons less than twenty years of age, in which case the tax credit claimed  
50 pursuant to this section shall be equal to one-half of the amount paid to the

51 intern or apprentice in that tax year, except that such credit shall not exceed ten  
52 thousand dollars per person;

53 (6) Mentor and role model programs;

54 (7) Drug and alcohol abuse prevention training programs for youth;

55 (8) Donation of property or equipment of the taxpayer to schools, including  
56 schools which primarily educate children who have been expelled from other  
57 schools, or donation of the same to municipalities, or not-for-profit corporations  
58 or other not-for-profit organizations which offer programs dedicated to youth  
59 violence prevention as authorized by the department;

60 (9) Not-for-profit, private or public youth activity centers;

61 (10) Nonviolent conflict resolution and mediation programs;

62 (11) Youth outreach and counseling programs.

63 6. Any program authorized in subsection 5 of this section shall, at least  
64 annually, submit a report to the department of economic development outlining  
65 the purpose and objectives of such program, the number of youth served, the  
66 specific activities provided pursuant to such program, the duration of such  
67 program and recorded youth attendance where applicable.

68 7. The department of economic development shall, at least annually  
69 submit a report to the Missouri general assembly listing the organizations  
70 participating, services offered and the number of youth served as the result of the  
71 implementation of this section.

72 8. The tax credit allowed by this section shall apply to all taxable years  
73 beginning after December 31, 1995.

74 9. For the purposes of the credits described in this section, in the case of  
75 a corporation described in section 143.471, partnership, limited liability company  
76 described in section 347.015, cooperative, marketing enterprise, or partnership,  
77 in computing Missouri's tax liability, such credits shall be allowed to the  
78 following:

79 (1) The shareholders of the corporation described in section 143.471;

80 (2) The partners of the partnership;

81 (3) The members of the limited liability company; and

82 (4) Individual members of the cooperative or marketing enterprise. Such  
83 credits shall be apportioned to the entities described in subdivisions (1) and (2)  
84 of this subsection in proportion to their share of ownership on the last day of the  
85 taxpayer's tax period.

86 **10. Notwithstanding any provision of law to the contrary, no tax**

87 **credits provided under this section shall be authorized on or after**  
88 **August 28, 2017. The provisions of this subsection shall not be**  
89 **construed to limit or in any way impair the department's ability to**  
90 **issue tax credits authorized prior to August 28, 2017, or a taxpayer's**  
91 **ability to redeem such tax credits.**

135.487. 1. To obtain any credit allowed pursuant to sections 135.475 to  
2 135.487, a taxpayer shall submit to the department, for preliminary approval, an  
3 application for tax credit. The director shall, upon final approval of an  
4 application and presentation of acceptable proof of substantial completion of  
5 construction, issue the taxpayer a certificate of tax credit. The director shall  
6 issue all credits allowed pursuant to sections 135.475 to 135.487 in the order the  
7 applications are received. In the case of a taxpayer other than an  
8 owner-occupant, the director shall not delay the issuance of a tax credit pursuant  
9 to sections 135.475 to 135.487 until the sale of a residence at market rate for  
10 owner-occupancy. A taxpayer, taxpayer other than an owner-occupant who  
11 receives a certificate of tax credit pursuant to sections 135.475 to 135.487 shall,  
12 within thirty days of the date of the sale of a residence, furnish to the director  
13 satisfactory proof that such residence was sold at market rate for  
14 owner-occupancy. If the director reasonably determines that a residence was not  
15 in good faith intended for long-term owner occupancy, the director make revoke  
16 any tax credits issued and seek recovery of any tax credits issued pursuant to  
17 section 620.017.

18 2. The department may cooperate with a municipality or a county in  
19 which a project is located to help identify the location of the project, the type and  
20 eligibility of the project, the estimated cost of the project and the completion date  
21 of the project.

22 3. The department may promulgate such rules or regulations or issue  
23 administrative guidelines as are necessary to administer the provisions of  
24 sections 135.475 to 135.487. No rule or portion of a rule promulgated pursuant  
25 to the authority of this section shall become effective unless it has been  
26 promulgated pursuant to the provisions of chapter 536.

27 4. The department shall conduct annually a comprehensive program  
28 evaluation illustrating where the tax credits allowed pursuant to sections 135.475  
29 to 135.487 are being utilized, explaining the economic impact of such program  
30 and making recommendations on appropriate program modifications to ensure the  
31 program's success.



32           **5. Notwithstanding any provision of law to the contrary, no tax**  
33   **credits provided under sections 135.475 to 135.487 shall be authorized**  
34   **on or after August 28, 2015. The provisions of this subsection shall not**  
35   **be construed to limit or in any way impair the department's ability to**  
36   **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**  
37   **ability to redeem such tax credits.**

          135.490. 1. **For all taxable years ending on or before December**  
2   **31, 2011,** in order to encourage and foster community improvement, an eligible  
3   small business, as defined in Section 44 of the Internal Revenue Code, shall be  
4   allowed a credit not to exceed five thousand dollars against the tax otherwise due  
5   pursuant to chapter 143, not including sections 143.191 to 143.265, in an amount  
6   equal to fifty percent of all eligible access expenditures exceeding the monetary  
7   cap provided by Section 44 of the Internal Revenue Code. **For all taxable years**  
8   **beginning on or after January 1, 2012, an eligible small business, as**  
9   **defined in Section 44 of the Internal Revenue Code, shall be allowed a**  
10   **credit not to exceed five thousand dollars against the tax otherwise due**  
11   **pursuant to chapter 143, not including sections 143.191 to 143.265, in an**  
12   **amount equal to thirty-five percent of all eligible access expenditures**  
13   **exceeding the monetary cap provided by Section 44 of the Internal**  
14   **Revenue Code.** For purposes of this section, "eligible access expenditures"  
15   means amounts paid or incurred by the taxpayer in order to comply with  
16   applicable access requirements provided by the Americans With Disabilities Act  
17   of 1990, as further defined in Section 44 of the Internal Revenue Code and federal  
18   rulings interpreting Section 44 of the Internal Revenue Code.

19           2. The tax credit allowed by this section shall be claimed by the taxpayer  
20   at the time such taxpayer files a return. Any amount of tax credit which exceeds  
21   the tax due shall be carried over to any subsequent taxable year, but shall not be  
22   refunded and shall not be transferable.

23           3. The director of the department of economic development and the  
24   director of the department of revenue shall jointly administer the tax credit  
25   authorized by this section. Both the director of the department of economic  
26   development and the director of the department of revenue are authorized to  
27   promulgate rules and regulations necessary to administer the provisions of this  
28   section. No rule or portion of a rule promulgated pursuant to the authority of  
29   this section shall become effective unless it has been promulgated pursuant to the  
30   provisions of chapter 536.

31           4. The provisions of this section shall become effective on January 1, 2000,  
32 and shall apply to all taxable years beginning after December 31, 1999.

33           **5. Notwithstanding any provision of law to the contrary, no tax**  
34 **credits provided under this section shall be authorized on or after**  
35 **August 28, 2017. The provisions of this subsection shall not be**  
36 **construed to limit or in any way impair the department's ability to**  
37 **issue tax credits authorized prior to August 28, 2017, or a taxpayer's**  
38 **ability to redeem such tax credits.**

135.550. 1. As used in this section, the following terms shall mean:

2           (1) "Contribution", a donation of cash, stock, bonds or other marketable  
3 securities, or real property;

4           (2) "Shelter for victims of domestic violence", a facility located in this state  
5 which meets the definition of a shelter for victims of domestic violence pursuant  
6 to section 455.200 and which meets the requirements of section 455.220;

7           (3) "State tax liability", in the case of a business taxpayer, any liability  
8 incurred by such taxpayer pursuant to the provisions of chapter 143, chapter 147,  
9 chapter 148, and chapter 153, exclusive of the provisions relating to the  
10 withholding of tax as provided for in sections 143.191 to 143.265 and related  
11 provisions, and in the case of an individual taxpayer, any liability incurred by  
12 such taxpayer pursuant to the provisions of chapter 143;

13           (4) "Taxpayer", a person, firm, a partner in a firm, corporation or a  
14 shareholder in an S corporation doing business in the state of Missouri and  
15 subject to the state income tax imposed by the provisions of chapter 143, or a  
16 corporation subject to the annual corporation franchise tax imposed by the  
17 provisions of chapter 147, including any charitable organization which is exempt  
18 from federal income tax and whose Missouri unrelated business taxable income,  
19 if any, would be subject to the state income tax imposed under chapter 143, or an  
20 insurance company paying an annual tax on its gross premium receipts in this  
21 state, or other financial institution paying taxes to the state of Missouri or any  
22 political subdivision of this state pursuant to the provisions of chapter 148, or an  
23 express company which pays an annual tax on its gross receipts in this state  
24 pursuant to chapter 153, or an individual subject to the state income tax imposed  
25 by the provisions of chapter 143.

26           **2. For all taxable years ending on or before December 31, 2011,**  
27 a taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax  
28 liability, in an amount equal to fifty percent of the amount such taxpayer

29 contributed to a shelter for victims of domestic violence. **For all taxable years**  
30 **beginning on or after January 1, 2012, a taxpayer shall be allowed to**  
31 **claim a tax credit against the taxpayer's state tax liability, in an**  
32 **amount equal to thirty-five percent of the amount such taxpayer**  
33 **contributed to a shelter for victims of domestic violence.**

34 3. The amount of the tax credit claimed shall not exceed the amount of the  
35 taxpayer's state tax liability for the taxable year that the credit is claimed, and  
36 such taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand  
37 dollars per taxable year. However, any tax credit that cannot be claimed in the  
38 taxable year the contribution was made may be carried over to the next four  
39 succeeding taxable years until the full credit has been claimed.

40 4. Except for any excess credit which is carried over pursuant to  
41 subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit  
42 unless the total amount of such taxpayer's contribution or contributions to a  
43 shelter or shelters for victims of domestic violence in such taxpayer's taxable year  
44 has a value of at least one hundred dollars.

45 5. The director of the department of social services shall determine, at  
46 least annually, which facilities in this state may be classified as shelters for  
47 victims of domestic violence. The director of the department of social services  
48 may require of a facility seeking to be classified as a shelter for victims of  
49 domestic violence whatever information is reasonably necessary to make such a  
50 determination. The director of the department of social services shall classify a  
51 facility as a shelter for victims of domestic violence if such facility meets the  
52 definition set forth in subsection 1 of this section.

53 6. The director of the department of social services shall establish a  
54 procedure by which a taxpayer can determine if a facility has been classified as  
55 a shelter for victims of domestic violence, and by which such taxpayer can then  
56 contribute to such shelter for victims of domestic violence and claim a tax  
57 credit. Shelters for victims of domestic violence shall be permitted to decline a  
58 contribution from a taxpayer. The cumulative amount of tax credits which may  
59 be claimed by all the taxpayers contributing to shelters for victims of domestic  
60 violence in any one fiscal year shall not exceed two million dollars.

61 7. The director of the department of social services shall establish a  
62 procedure by which, from the beginning of the fiscal year until some point in time  
63 later in the fiscal year to be determined by the director of the department of  
64 social services, the cumulative amount of tax credits are equally apportioned

65 among all facilities classified as shelters for victims of domestic violence. If a  
66 shelter for victims of domestic violence fails to use all, or some percentage to be  
67 determined by the director of the department of social services, of its apportioned  
68 tax credits during this predetermined period of time, the director of the  
69 department of social services may reapportion these unused tax credits to those  
70 shelters for victims of domestic violence that have used all, or some percentage  
71 to be determined by the director of the department of social services, of their  
72 apportioned tax credits during this predetermined period of time. The director  
73 of the department of social services may establish more than one period of time  
74 and reapportion more than once during each fiscal year. To the maximum extent  
75 possible, the director of the department of social services shall establish the  
76 procedure described in this subsection in such a manner as to ensure that  
77 taxpayers can claim all the tax credits possible up to the cumulative amount of  
78 tax credits available for the fiscal year.

79 8. This section shall become effective January 1, 2000, and shall apply to  
80 all tax years after December 31, 1999.

81 **9. Notwithstanding any provision of law to the contrary, no tax**  
82 **credits provided under this section shall be authorized on or after**  
83 **August 28, 2017. The provisions of this subsection shall not be**  
84 **construed to limit or in any way impair the department's ability to**  
85 **issue tax credits authorized prior to August 28, 2017, or a taxpayer's**  
86 **ability to redeem such tax credits.**

135.562. 1. If any taxpayer with a federal adjusted gross income of thirty  
2 thousand dollars or less incurs costs for the purpose of making all or any portion  
3 of such taxpayer's principal dwelling accessible to an individual with a disability  
4 who permanently resides with the taxpayer, such taxpayer shall receive a tax  
5 credit against such taxpayer's Missouri income tax liability in an amount equal  
6 to the lesser of one hundred percent of such costs or two thousand five hundred  
7 dollars per taxpayer, per tax year.

8 **2. For all taxable years ending on or before December 31, 2011,**  
9 any taxpayer with a federal adjusted gross income greater than thirty thousand  
10 dollars but less than sixty thousand dollars who incurs costs for the purpose of  
11 making all or any portion of such taxpayer's principal dwelling accessible to an  
12 individual with a disability who permanently resides with the taxpayer shall  
13 receive a tax credit against such taxpayer's Missouri income tax liability in an  
14 amount equal to the lesser of fifty percent of such costs or two thousand five

15 hundred dollars per taxpayer per tax year. **For all taxable years beginning**  
16 **on or after January 1, 2012, any taxpayer with a federal adjusted gross**  
17 **income greater than thirty thousand dollars but less than sixty**  
18 **thousand dollars who incurs costs for the purpose of making all or any**  
19 **portion of such taxpayer's principal dwelling accessible to an**  
20 **individual with a disability who permanently resides with the taxpayer**  
21 **shall receive a tax credit against such taxpayer's Missouri income tax**  
22 **liability in an amount equal to the lesser of thirty-five percent of such**  
23 **costs or two thousand five hundred dollars per taxpayer per tax year.**  
24 No taxpayer shall be eligible to receive tax credits under this section in any tax  
25 year immediately following a tax year in which such taxpayer received tax credits  
26 under the provisions of this section.

27 3. Tax credits issued pursuant to this section may be refundable in an  
28 amount not to exceed two thousand five hundred dollars per tax year.

29 4. Eligible costs for which the credit may be claimed include:

- 30 (1) Constructing entrance or exit ramps;
- 31 (2) Widening exterior or interior doorways;
- 32 (3) Widening hallways;
- 33 (4) Installing handrails or grab bars;
- 34 (5) Moving electrical outlets and switches;
- 35 (6) Installing stairway lifts;
- 36 (7) Installing or modifying fire alarms, smoke detectors, and other alerting  
37 systems;
- 38 (8) Modifying hardware of doors; or
- 39 (9) Modifying bathrooms.

40 5. The tax credits allowed, including the maximum amount that may be  
41 claimed, pursuant to this section shall be reduced by an amount sufficient to  
42 offset any amount of such costs a taxpayer has already deducted from such  
43 taxpayer's federal adjusted gross income or to the extent such taxpayer has  
44 applied any other state or federal income tax credit to such costs.

45 6. A taxpayer shall claim a credit allowed by this section in the same  
46 taxable year as the credit is issued, and at the time such taxpayer files his or her  
47 Missouri income tax return; provided that such return is timely filed.

48 7. The department may, in consultation with the department of social  
49 services, promulgate such rules or regulations as are necessary to administer the  
50 provisions of this section. Any rule or portion of a rule, as that term is defined

51 in section 536.010, that is created under the authority delegated in this section  
52 shall become effective only if it complies with and is subject to all of the  
53 provisions of chapter 536 and, if applicable, section 536.028. This section and  
54 chapter 536 are nonseverable and if any of the powers vested with the general  
55 assembly pursuant to chapter 536 to review, to delay the effective date or to  
56 disapprove and annul a rule are subsequently held unconstitutional, then the  
57 grant of rulemaking authority and any rule proposed or adopted after August 28,  
58 2007, shall be invalid and void.

59 8. The provisions of this section shall apply to all tax years beginning on  
60 or after January 1, 2008.

61 9. The provisions of this section shall expire December 31, 2013.

62 10. In no event shall the aggregate amount of all tax credits allowed  
63 pursuant to this section exceed one hundred thousand dollars in any given fiscal  
64 year. The tax credits issued pursuant to this section shall be on a first-come,  
65 first-served filing basis.

135.575. 1. As used in this section, the following terms mean:

2 (1) "Missouri health care access fund", the fund created in section  
3 191.1056;

4 (2) "Tax credit", a credit against the tax otherwise due under chapter 143,  
5 excluding withholding tax imposed by sections 143.191 to 143.265;

6 (3) "Taxpayer", any individual subject to the tax imposed in chapter 143,  
7 excluding withholding tax imposed by sections 143.191 to 143.265.

8 2. The provisions of this section shall be subject to section 33.282. For all  
9 taxable years beginning on or after January 1, 2007, a taxpayer shall be allowed  
10 a tax credit for donations in excess of one hundred dollars made to the Missouri  
11 health care access fund. The tax credit shall be subject to annual approval by the  
12 senate appropriations committee and the house budget committee. **For all**  
13 **taxable years ending on or before December 31, 2011,** the tax credit  
14 amount shall be equal to one-half of the total donation made, but shall not exceed  
15 twenty-five thousand dollars per taxpayer claiming the credit. **For all taxable**  
16 **years beginning on or after January 1, 2012, the tax credit amount shall**  
17 **be equal to thirty-five percent of the total donation made, but shall not**  
18 **exceed twenty-five thousand dollars per taxpayer claiming the credit.**  
19 If the amount of the tax credit issued exceeds the amount of the taxpayer's state  
20 tax liability for the tax year for which the credit is claimed, the difference shall  
21 not be refundable but may be carried forward to any of the taxpayer's next four

22 taxable years. No tax credit granted under this section shall be transferred, sold,  
23 or assigned. The cumulative amount of tax credits which may be issued under  
24 this section in any one fiscal year shall not exceed one million dollars.

25 3. The department of revenue may promulgate rules to implement the  
26 provisions of this section. Any rule or portion of a rule, as that term is defined  
27 in section 536.010, that is created under the authority delegated in this section  
28 shall become effective only if it complies with and is subject to all of the  
29 provisions of chapter 536 and, if applicable, section 536.028. This section and  
30 chapter 536 are nonseverable and if any of the powers vested with the general  
31 assembly pursuant to chapter 536 to review, to delay the effective date, or to  
32 disapprove and annul a rule are subsequently held unconstitutional, then the  
33 grant of rulemaking authority and any rule proposed or adopted after August 28,  
34 2007, shall be invalid and void.

35 4. Pursuant to section 23.253 of the Missouri sunset act:

36 (1) The provisions of the new program authorized under this section shall  
37 automatically sunset six years after August 28, 2007, unless reauthorized by an  
38 act of the general assembly; and

39 (2) If such program is reauthorized, the program authorized under this  
40 section shall automatically sunset twelve years after the effective date of the  
41 reauthorization of this section; and

42 (3) This section shall terminate on September first of the calendar year  
43 immediately following the calendar year in which the program authorized under  
44 this section is sunset.

135.600. 1. As used in this section, the following terms shall mean:

2 (1) "Contribution", a donation of cash, stock, bonds or other marketable  
3 securities, or real property;

4 (2) "Maternity home", a residential facility located in this state  
5 established for the purpose of providing housing and assistance to pregnant  
6 women who are carrying their pregnancies to term, and which is exempt from  
7 income taxation under the United States Internal Revenue Code;

8 (3) "State tax liability", in the case of a business taxpayer, any liability  
9 incurred by such taxpayer pursuant to the provisions of chapter 143, chapter 147,  
10 chapter 148, and chapter 153, exclusive of the provisions relating to the  
11 withholding of tax as provided for in sections 143.191 to 143.265, and related  
12 provisions, and in the case of an individual taxpayer, any liability incurred by  
13 such taxpayer pursuant to the provisions of chapter 143;

14           (4) "Taxpayer", a person, firm, a partner in a firm, corporation or a  
15 shareholder in an S corporation doing business in the state of Missouri and  
16 subject to the state income tax imposed by the provisions of chapter 143,  
17 including any charitable organization which is exempt from federal income tax  
18 and whose Missouri unrelated business taxable income, if any, would be subject  
19 to the state income tax imposed under chapter 143, or a corporation subject to the  
20 annual corporation franchise tax imposed by the provisions of chapter 147, or an  
21 insurance company paying an annual tax on its gross premium receipts in this  
22 state, or other financial institution paying taxes to the state of Missouri or any  
23 political subdivision of this state pursuant to the provisions of chapter 148, or an  
24 express company which pays an annual tax on its gross receipts in this state  
25 pursuant to chapter 153, or an individual subject to the state income tax imposed  
26 by the provisions of chapter 143.

27           2. **For all taxable years ending on or before December 31, 2011,**  
28 a taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax  
29 liability, in an amount equal to fifty percent of the amount such taxpayer  
30 contributed to a maternity home. **For all taxable years beginning on or**  
31 **after January 1, 2012, a taxpayer shall be allowed to claim a tax credit**  
32 **against the taxpayer's state tax liability, in an amount equal to thirty-**  
33 **five percent of the amount such taxpayer contributed to a maternity**  
34 **home.**

35           3. The amount of the tax credit claimed shall not exceed the amount of the  
36 taxpayer's state tax liability for the taxable year that the credit is claimed, and  
37 such taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand  
38 dollars per taxable year. However, any tax credit that cannot be claimed in the  
39 taxable year the contribution was made may be carried over to the next four  
40 succeeding taxable years until the full credit has been claimed.

41           4. Except for any excess credit which is carried over pursuant to  
42 subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit  
43 unless the total amount of such taxpayer's contribution or contributions to a  
44 maternity home or homes in such taxpayer's taxable year has a value of at least  
45 one hundred dollars.

46           5. The director of the department of social services shall determine, at  
47 least annually, which facilities in this state may be classified as maternity  
48 homes. The director of the department of social services may require of a facility  
49 seeking to be classified as a maternity home whatever information is reasonably



50 necessary to make such a determination. The director of the department of social  
51 services shall classify a facility as a maternity home if such facility meets the  
52 definition set forth in subsection 1 of this section.

53 6. The director of the department of social services shall establish a  
54 procedure by which a taxpayer can determine if a facility has been classified as  
55 a maternity home, and by which such taxpayer can then contribute to such  
56 maternity home and claim a tax credit. Maternity homes shall be permitted to  
57 decline a contribution from a taxpayer. The cumulative amount of tax credits  
58 which may be claimed by all the taxpayers contributing to maternity homes in  
59 any one fiscal year shall not exceed two million dollars.

60 7. The director of the department of social services shall establish a  
61 procedure by which, from the beginning of the fiscal year until some point in time  
62 later in the fiscal year to be determined by the director of the department of  
63 social services, the cumulative amount of tax credits are equally apportioned  
64 among all facilities classified as maternity homes. If a maternity home fails to  
65 use all, or some percentage to be determined by the director of the department of  
66 social services, of its apportioned tax credits during this predetermined period of  
67 time, the director of the department of social services may reapportion these  
68 unused tax credits to those maternity homes that have used all, or some  
69 percentage to be determined by the director of the department of social services,  
70 of their apportioned tax credits during this predetermined period of time. The  
71 director of the department of social services may establish more than one period  
72 of time and reapportion more than once during each fiscal year. To the maximum  
73 extent possible, the director of the department of social services shall establish  
74 the procedure described in this subsection in such a manner as to ensure that  
75 taxpayers can claim all the tax credits possible up to the cumulative amount of  
76 tax credits available for the fiscal year.

77 8. This section shall become effective January 1, 2000, and shall apply to  
78 all tax years after December 31, 1999.

79 **9. Notwithstanding any provision of law to the contrary, no tax**  
80 **credits provided under this section shall be authorized on or after**  
81 **August 28, 2017. The provisions of this subsection shall not be**  
82 **construed to limit or in any way impair the department's ability to**  
83 **issue tax credits authorized prior to August 28, 2017, or a taxpayer's**  
84 **ability to redeem such tax credits.**

135.630. 1. As used in this section, the following terms mean:

2           (1) "Contribution", a donation of cash, stock, bonds, or other marketable  
3 securities, or real property;

4           (2) "Director", the director of the department of social services;

5           (3) "Pregnancy resource center", a nonresidential facility located in this  
6 state:

7           (a) Established and operating primarily to provide assistance to women  
8 with crisis pregnancies or unplanned pregnancies by offering pregnancy testing,  
9 counseling, emotional and material support, and other similar services to  
10 encourage and assist such women in carrying their pregnancies to term; and

11           (b) Where childbirths are not performed; and

12           (c) Which does not perform, induce, or refer for abortions and which does  
13 not hold itself out as performing, inducing, or referring for abortions; and

14           (d) Which provides direct client services at the facility, as opposed to  
15 merely providing counseling or referral services by telephone; and

16           (e) Which provides its services at no cost to its clients; and

17           (f) When providing medical services, such medical services must be  
18 performed in accordance with Missouri statute; and

19           (g) Which is exempt from income taxation pursuant to the Internal  
20 Revenue Code of 1986, as amended;

21           (4) "State tax liability", in the case of a business taxpayer, any liability  
22 incurred by such taxpayer pursuant to the provisions of chapters 143, 147, 148,  
23 and 153, excluding sections 143.191 to 143.265 and related provisions, and in the  
24 case of an individual taxpayer, any liability incurred by such taxpayer pursuant  
25 to the provisions of chapter 143, excluding sections 143.191 to 143.265 and  
26 related provisions;

27           (5) "Taxpayer", a person, firm, a partner in a firm, corporation, or a  
28 shareholder in an S corporation doing business in the state of Missouri and  
29 subject to the state income tax imposed by the provisions of chapter 143, or a  
30 corporation subject to the annual corporation franchise tax imposed by the  
31 provisions of chapter 147, or an insurance company paying an annual tax on its  
32 gross premium receipts in this state, or other financial institution paying taxes  
33 to the state of Missouri or any political subdivision of this state pursuant to the  
34 provisions of chapter 148, or an express company which pays an annual tax on  
35 its gross receipts in this state pursuant to chapter 153, or an individual subject  
36 to the state income tax imposed by the provisions of chapter 143, or any  
37 charitable organization which is exempt from federal income tax and whose

38 Missouri unrelated business taxable income, if any, would be subject to the state  
39 income tax imposed under chapter 143.

40       2. For all tax years beginning on or after January 1, 2007, **but ending**  
41 **on or before December 31, 2011**, a taxpayer shall be allowed to claim a tax  
42 credit against the taxpayer's state tax liability in an amount equal to fifty percent  
43 of the amount such taxpayer contributed to a pregnancy resource center. **For all**  
44 **tax years beginning on or after January 1, 2012, a taxpayer shall be**  
45 **allowed to claim a tax credit against the taxpayer's state tax liability**  
46 **in an amount equal to thirty-five percent of the amount such taxpayer**  
47 **contributed to a pregnancy resource center.**

48       3. The amount of the tax credit claimed shall not exceed the amount of the  
49 taxpayer's state tax liability for the taxable year for which the credit is claimed,  
50 and such taxpayer shall not be allowed to claim a tax credit in excess of fifty  
51 thousand dollars per taxable year. However, any tax credit that cannot be  
52 claimed in the taxable year the contribution was made may be carried over to the  
53 next four succeeding taxable years until the full credit has been claimed.

54       4. Except for any excess credit which is carried over pursuant to  
55 subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit  
56 unless the total amount of such taxpayer's contribution or contributions to a  
57 pregnancy resource center or centers in such taxpayer's taxable year has a value  
58 of at least one hundred dollars.

59       5. The director shall determine, at least annually, which facilities in this  
60 state may be classified as pregnancy resource centers. The director may require  
61 of a facility seeking to be classified as a pregnancy resource center whatever  
62 information which is reasonably necessary to make such a determination. The  
63 director shall classify a facility as a pregnancy resource center if such facility  
64 meets the definition set forth in subsection 1 of this section.

65       6. The director shall establish a procedure by which a taxpayer can  
66 determine if a facility has been classified as a pregnancy resource  
67 center. Pregnancy resource centers shall be permitted to decline a contribution  
68 from a taxpayer. The cumulative amount of tax credits which may be claimed by  
69 all the taxpayers contributing to pregnancy resource centers in any one fiscal year  
70 shall not exceed two million dollars. Tax credits shall be issued in the order  
71 contributions are received.

72       7. The director shall establish a procedure by which, from the beginning  
73 of the fiscal year until some point in time later in the fiscal year to be determined

74 by the director, the cumulative amount of tax credits are equally apportioned  
75 among all facilities classified as pregnancy resource centers. If a pregnancy  
76 resource center fails to use all, or some percentage to be determined by the  
77 director, of its apportioned tax credits during this predetermined period of time,  
78 the director may reapportion these unused tax credits to those pregnancy  
79 resource centers that have used all, or some percentage to be determined by the  
80 director, of their apportioned tax credits during this predetermined period of  
81 time. The director may establish more than one period of time and reapportion  
82 more than once during each fiscal year. To the maximum extent possible, the  
83 director shall establish the procedure described in this subsection in such a  
84 manner as to ensure that taxpayers can claim all the tax credits possible up to  
85 the cumulative amount of tax credits available for the fiscal year.

86         8. Each pregnancy resource center shall provide information to the  
87 director concerning the identity of each taxpayer making a contribution to the  
88 pregnancy resource center who is claiming a tax credit pursuant to this section  
89 and the amount of the contribution. The director shall provide the information  
90 to the director of revenue. The director shall be subject to the confidentiality and  
91 penalty provisions of section 32.057 relating to the disclosure of tax information.

92         9. Notwithstanding any other law to the contrary, any tax credits granted  
93 under this section may be assigned, transferred, sold, or otherwise conveyed  
94 without consent or approval. Such taxpayer, hereinafter the assignor for  
95 purposes of this section, may sell, assign, exchange, or otherwise transfer earned  
96 tax credits:

97             (1) For no less than seventy-five percent of the par value of such credits;  
98 and

99             (2) In an amount not to exceed one hundred percent of annual earned  
100 credits.

101         10. Pursuant to section 23.253 of the Missouri sunset act:

102             (1) Any new program authorized under this section shall automatically  
103 sunset six years after August 28, 2006, unless reauthorized by an act of the  
104 general assembly; and

105             (2) If such program is reauthorized, the program authorized under this  
106 section shall automatically sunset twelve years after the effective date of the  
107 reauthorization of this section; and

108             (3) This section shall terminate on September first of the calendar year  
109 immediately following the calendar year in which a program authorized under

110 this section is sunset.

135.967. 1. A taxpayer who establishes a new business facility may, upon  
2 approval by the department, be allowed a credit, each tax year for up to ten tax  
3 years, in an amount determined as set forth in this section, against the tax  
4 imposed by chapter 143, excluding withholding tax imposed by sections 143.191  
5 to 143.265. No taxpayer shall receive multiple ten-year periods for subsequent  
6 expansions at the same facility.

7 2. Notwithstanding any provision of law to the contrary, any taxpayer who  
8 establishes a new business facility in an enhanced enterprise zone and is awarded  
9 state tax credits under this section may not also receive tax credits under sections  
10 135.100 to 135.150, sections 135.200 to 135.286, or section 135.535, and may not  
11 simultaneously receive tax credits under sections 620.1875 to 620.1890 at the  
12 same facility.

13 3. No credit shall be issued pursuant to this section unless:

14 (1) The number of new business facility employees engaged or maintained  
15 in employment at the new business facility for the taxable year for which the  
16 credit is claimed equals or exceeds two; and

17 (2) The new business facility investment for the taxable year for which the  
18 credit is claimed equals or exceeds one hundred thousand dollars.

19 4. The annual amount of credits allowed for an approved enhanced  
20 business enterprise shall be the lesser of:

21 (1) The annual amount authorized by the department for the enhanced  
22 business enterprise, which shall be limited to the projected state economic  
23 benefit, as determined by the department; or

24 (2) The sum calculated based upon the following:

25 (a) A credit of four hundred dollars for each new business facility  
26 employee employed within an enhanced enterprise zone;

27 (b) An additional credit of four hundred dollars for each new business  
28 facility employee who is a resident of an enhanced enterprise zone;

29 (c) An additional credit of four hundred dollars for each new business  
30 facility employee who is paid by the enhanced business enterprise a wage that  
31 exceeds the average wage paid within the county in which the facility is located,  
32 as determined by the department; and

33 (d) A credit equal to two percent of new business facility investment  
34 within an enhanced enterprise zone.

35 5. Prior to January 1, 2007, in no event shall the department authorize

36 more than four million dollars annually to be issued for all enhanced business  
37 enterprises. After December 31, 2006, in no event shall the department authorize  
38 more than twenty-four million dollars annually to be issued for all enhanced  
39 business enterprises.

40 6. If a facility, which does not constitute a new business facility, is  
41 expanded by the taxpayer, the expansion shall be considered eligible for the credit  
42 allowed by this section if:

43 (1) The taxpayer's new business facility investment in the expansion  
44 during the tax period in which the credits allowed in this section are claimed  
45 exceeds one hundred thousand dollars and if the number of new business facility  
46 employees engaged or maintained in employment at the expansion facility for the  
47 taxable year for which credit is claimed equals or exceeds two, and the total  
48 number of employees at the facility after the expansion is at least two greater  
49 than the total number of employees before the expansion; and

50 (2) The taxpayer's investment in the expansion and in the original facility  
51 prior to expansion shall be determined in the manner provided in subdivision (19)  
52 of section 135.950.

53 7. The number of new business facility employees during any taxable year  
54 shall be determined by dividing by twelve the sum of the number of individuals  
55 employed on the last business day of each month of such taxable year. If the new  
56 business facility is in operation for less than the entire taxable year, the number  
57 of new business facility employees shall be determined by dividing the sum of the  
58 number of individuals employed on the last business day of each full calendar  
59 month during the portion of such taxable year during which the new business  
60 facility was in operation by the number of full calendar months during such  
61 period. For the purpose of computing the credit allowed by this section in the  
62 case of a facility which qualifies as a new business facility under subsection 6 of  
63 this section, and in the case of a new business facility which satisfies the  
64 requirements of paragraph (c) of subdivision (17) of section 135.950, or  
65 subdivision (25) of section 135.950, the number of new business facility employees  
66 at such facility shall be reduced by the average number of individuals employed,  
67 computed as provided in this subsection, at the facility during the taxable year  
68 immediately preceding the taxable year in which such expansion, acquisition, or  
69 replacement occurred and shall further be reduced by the number of individuals  
70 employed by the taxpayer or related taxpayer that was subsequently transferred  
71 to the new business facility from another Missouri facility and for which credits

72 authorized in this section are not being earned, whether such credits are earned  
73 because of an expansion, acquisition, relocation, or the establishment of a new  
74 facility.

75         8. In the case where a new business facility employee who is a resident  
76 of an enhanced enterprise zone for less than a twelve-month period is employed  
77 for less than a twelve-month period, the credits allowed by paragraph (b) of  
78 subdivision (2) of subsection 4 of this section shall be determined by multiplying  
79 four hundred dollars by a fraction, the numerator of which is the number of  
80 calendar days during the taxpayer's tax year for which such credits are claimed,  
81 in which the employee was a resident of an enhanced enterprise zone, and the  
82 denominator of which is three hundred sixty-five.

83         9. For the purpose of computing the credit allowed by this section in the  
84 case of a facility which qualifies as a new business facility pursuant to subsection  
85 6 of this section, and in the case of a new business facility which satisfies the  
86 requirements of paragraph (c) of subdivision (17) of section 135.950 or subdivision  
87 (25) of section 135.950, the amount of the taxpayer's new business facility  
88 investment in such facility shall be reduced by the average amount, computed as  
89 provided in subdivision (19) of section 135.950 for new business facility  
90 investment, of the investment of the taxpayer, or related taxpayer immediately  
91 preceding such expansion or replacement or at the time of  
92 acquisition. Furthermore, the amount of the taxpayer's new business facility  
93 investment shall also be reduced by the amount of investment employed by the  
94 taxpayer or related taxpayer which was subsequently transferred to the new  
95 business facility from another Missouri facility and for which credits authorized  
96 in this section are not being earned, whether such credits are earned because of  
97 an expansion, acquisition, relocation, or the establishment of a new facility.

98         10. For a taxpayer with flow-through tax treatment to its members,  
99 partners, or shareholders, the credit shall be allowed to members, partners, or  
100 shareholders in proportion to their share of ownership on the last day of the  
101 taxpayer's tax period.

102         11. Credits may not be carried forward but shall be claimed for the  
103 taxable year during which commencement of commercial operations occurs at  
104 such new business facility, and for each of the nine succeeding taxable years for  
105 which the credit is issued.

106         12. Certificates of tax credit authorized by this section may be  
107 transferred, sold, or assigned by filing a notarized endorsement thereof with the

108 department that names the transferee, the amount of tax credit transferred, and  
109 the value received for the credit, as well as any other information reasonably  
110 requested by the department. The sale price cannot be less than seventy-five  
111 percent of the par value of such credits.

112 13. The director of revenue shall issue a refund to the taxpayer to the  
113 extent that the amount of credits allowed in this section exceeds the amount of  
114 the taxpayer's income tax.

115 14. Prior to the issuance of tax credits, the department shall verify  
116 through the department of revenue, or any other state department, that the tax  
117 credit applicant does not owe any delinquent income, sales, or use tax or interest  
118 or penalties on such taxes, or any delinquent fees or assessments levied by any  
119 state department and through the department of insurance, financial institutions  
120 and professional registration that the applicant does not owe any delinquent  
121 insurance taxes. Such delinquency shall not affect the authorization of the  
122 application for such tax credits, except that the amount of credits issued shall be  
123 reduced by the applicant's tax delinquency. If the department of revenue or the  
124 department of insurance, financial institutions and professional registration, or  
125 any other state department, concludes that a taxpayer is delinquent after June  
126 fifteenth but before July first of any year and the application of tax credits to  
127 such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then  
128 the taxpayer shall be granted thirty days to satisfy the deficiency in which  
129 interest, penalties, and additions to tax shall be tolled. After applying all  
130 available credits toward a tax delinquency, the administering agency shall notify  
131 the appropriate department, and that department shall update the amount of  
132 outstanding delinquent tax owed by the applicant. If any credits remain after  
133 satisfying all insurance, income, sales, and use tax delinquencies, the remaining  
134 credits shall be issued to the applicant, subject to the restrictions of other  
135 provisions of law.

136 **15. Notwithstanding any provision of law to the contrary, no tax**  
137 **credits provided under this section shall be authorized on or after**  
138 **August 28, 2015. The provisions of this subsection shall not be**  
139 **construed to limit or in any way impair the department's ability to**  
140 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**  
141 **ability to redeem such tax credits.**

135.1150. 1. This section shall be known and may be cited as the  
2 "Residential Treatment Agency Tax Credit Act".



3           2. As used in this section, the following terms mean:

4           (1) "Certificate", a tax credit certificate issued under this section;

5           (2) "Department", the Missouri department of social services;

6           (3) "Eligible donation", donations received from a taxpayer by an agency  
7 that are used solely to provide direct care services to children who are residents  
8 of this state. Eligible donations may include cash, publicly traded stocks and  
9 bonds, and real estate that will be valued and documented according to rules  
10 promulgated by the department of social services. For purposes of this section,  
11 "direct care services" include but are not limited to increasing the quality of care  
12 and service for children through improved employee compensation and training;

13           (4) "Qualified residential treatment agency" or "agency", a residential care  
14 facility that is licensed under section 210.484, accredited by the Council on  
15 Accreditation (COA), the Joint Commission on Accreditation of Healthcare  
16 Organizations (JCAHO), or the Commission on Accreditation of Rehabilitation  
17 Facilities (CARF), and is under contract with the Missouri department of social  
18 services to provide treatment services for children who are residents or wards of  
19 residents of this state, and that receives eligible donations. Any agency that  
20 operates more than one facility or at more than one location shall be eligible for  
21 the tax credit under this section only for any eligible donation made to facilities  
22 or locations of the agency which are licensed and accredited;

23           (5) "Taxpayer", any of the following individuals or entities who make an  
24 eligible donation to an agency:

25           (a) A person, firm, partner in a firm, corporation, or a shareholder in an  
26 S corporation doing business in the state of Missouri and subject to the state  
27 income tax imposed in chapter 143;

28           (b) A corporation subject to the annual corporation franchise tax imposed  
29 in chapter 147;

30           (c) An insurance company paying an annual tax on its gross premium  
31 receipts in this state;

32           (d) Any other financial institution paying taxes to the state of Missouri  
33 or any political subdivision of this state under chapter 148;

34           (e) An individual subject to the state income tax imposed in chapter 143;

35           (f) Any charitable organization which is exempt from federal income tax  
36 and whose Missouri unrelated business taxable income, if any, would be subject  
37 to the state income tax imposed under chapter 143.

38           3. For all taxable years beginning on or after January 1, 2007, **but**

39 **ending on or before December 31, 2011**, any taxpayer shall be allowed a  
40 credit against the taxes otherwise due under chapter 147, 148, or 143, excluding  
41 withholding tax imposed by sections 143.191 to 143.265, in an amount equal to  
42 fifty percent of the amount of an eligible donation, subject to the restrictions in  
43 this section. **For all taxable years beginning on or after January 1, 2012,**  
44 **any taxpayer shall be allowed a credit against the taxes otherwise due**  
45 **under chapter 147, 148, or 143, excluding withholding tax imposed by**  
46 **sections 143.191 to 143.265, in an amount equal to thirty-five percent of**  
47 **the amount of an eligible donation, subject to the restrictions in this**  
48 **section.** The amount of the tax credit claimed shall not exceed the amount of the  
49 taxpayer's state income tax liability in the tax year for which the credit is  
50 claimed. Any amount of credit that the taxpayer is prohibited by this section  
51 from claiming in a tax year shall not be refundable, but may be carried forward  
52 to any of the taxpayer's four subsequent taxable years.

53 4. To claim the credit authorized in this section, an agency may submit  
54 to the department an application for the tax credit authorized by this section on  
55 behalf of taxpayers. The department shall verify that the agency has submitted  
56 the following items accurately and completely:

- 57 (1) A valid application in the form and format required by the department;  
58 (2) A statement attesting to the eligible donation received, which shall  
59 include the name and taxpayer identification number of the individual making  
60 the eligible donation, the amount of the eligible donation, and the date the  
61 eligible donation was received by the agency; and  
62 (3) Payment from the agency equal to the value of the tax credit for which  
63 application is made. If the agency applying for the tax credit meets all criteria  
64 required by this subsection, the department shall issue a certificate in the  
65 appropriate amount.

66 5. An agency may apply for tax credits in an aggregate amount that does  
67 not exceed forty percent of the payments made by the department to the agency  
68 in the preceding twelve months.

69 6. Tax credits issued under this section may be assigned, transferred,  
70 sold, or otherwise conveyed, and the new owner of the tax credit shall have the  
71 same rights in the credit as the taxpayer. Whenever a certificate is assigned,  
72 transferred, sold, or otherwise conveyed, a notarized endorsement shall be filed  
73 with the department specifying the name and address of the new owner of the tax  
74 credit or the value of the credit.

75           7. The department shall promulgate rules to implement the provisions of  
76 this section. Any rule or portion of a rule, as that term is defined in section  
77 536.010, that is created under the authority delegated in this section shall  
78 become effective only if it complies with and is subject to all of the provisions of  
79 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are  
80 nonseverable and if any of the powers vested with the general assembly pursuant  
81 to chapter 536 to review, to delay the effective date, or to disapprove and annul  
82 a rule are subsequently held unconstitutional, then the grant of rulemaking  
83 authority and any rule proposed or adopted after August 28, 2006, shall be  
84 invalid and void.

85           8. Under section 23.253 of the Missouri sunset act:

86           (1) The provisions of the new program authorized under this section shall  
87 automatically sunset six years after August 28, 2006, unless reauthorized by an  
88 act of the general assembly; and

89           (2) If such program is reauthorized, the program authorized under this  
90 section shall automatically sunset twelve years after the effective date of the  
91 reauthorization of this section; and

92           (3) This section shall terminate on September first of the calendar year  
93 immediately following the calendar year in which the program authorized under  
94 this section is sunset.

137.1018. 1. The commission shall ascertain the statewide average rate  
2 of property taxes levied the preceding year, based upon the total assessed  
3 valuation of the railroad and street railway companies and the total property  
4 taxes levied upon the railroad and street railway companies. It shall determine  
5 total property taxes levied from reports prescribed by the commission from the  
6 railroad and street railway companies. Total taxes levied shall not include  
7 revenues from the surtax on subclass three real property.

8           2. The commission shall report its determination of average property tax  
9 rate for the preceding year, together with the taxable distributable assessed  
10 valuation of each freight line company for the current year to the director no later  
11 than October first of each year.

12           3. Taxes on property of such freight line companies shall be collected at  
13 the state level by the director on behalf of the counties and other local public  
14 taxing entities and shall be distributed in accordance with sections 137.1021 and  
15 137.1024. The director shall tax such property based upon the distributable  
16 assessed valuation attributable to Missouri of each freight line company, using

17 the average tax rate for the preceding year of the railroad and street railway  
18 companies certified by the commission. Such tax shall be due and payable on or  
19 before December thirty-first of the year levied and, if it becomes delinquent, shall  
20 be subject to a penalty equal to that specified in section 140.100.

21 [4. (1) As used in this subsection, the following terms mean:

22 (a) "Eligible expenses", expenses incurred in this state to manufacture,  
23 maintain, or improve a freight line company's qualified rolling stock;

24 (b) "Qualified rolling stock", any freight, stock, refrigerator, or other  
25 railcars subject to the tax levied under this section.

26 (2) For all taxable years beginning on or after January 1, 2009, a freight  
27 line company shall, subject to appropriation, be allowed a credit against the tax  
28 levied under this section for the applicable tax year. The tax credit amount shall  
29 be equal to the amount of eligible expenses incurred during the calendar year  
30 immediately preceding the tax year for which the credit under this section is  
31 claimed. The amount of the tax credit issued shall not exceed the freight line  
32 company's liability for the tax levied under this section for the tax year for which  
33 the credit is claimed.

34 (3) A freight line company may apply for the credit by submitting to the  
35 commission an application in the form prescribed by the state tax commission.

36 (4) Subject to appropriation, the state shall reimburse, on an annual  
37 basis, any political subdivision of this state for any decrease in revenue due to the  
38 provisions of this subsection.

39 5. Pursuant to section 23.253 of the Missouri sunset act:

40 (1) The provisions of the new program authorized under this section shall  
41 automatically sunset six years after August 28, 2008, unless reauthorized by an  
42 act of the general assembly; and

43 (2) If such program is reauthorized, the program authorized under this  
44 section shall automatically sunset twelve years after the effective date of the  
45 reauthorization of this section; and

46 (3) This section shall terminate on September first of the calendar year  
47 immediately following the calendar year in which the program authorized under  
48 this section is sunset.]

143.471. 1. An S corporation, as defined by Section 1361 (a)(1) of the  
2 Internal Revenue Code, shall not be subject to the taxes imposed by section  
3 143.071, or other sections imposing income tax on corporations.

4 2. A shareholder of an S corporation shall determine such shareholder's

5 S corporation modification and pro rata share, including its character, by  
6 applying the following:

7 (1) Any modification described in sections 143.121 and 143.141 which  
8 relates to an item of S corporation income, gain, loss, or deduction shall be made  
9 in accordance with the shareholder's pro rata share, for federal income tax  
10 purposes, of the item to which the modification relates. Where a shareholder's  
11 pro rata share of any such item is not required to be taken into account  
12 separately for federal income tax purposes, the shareholder's pro rata share of  
13 such item shall be determined in accordance with his pro rata share, for federal  
14 income tax purposes, of S corporation taxable income or loss generally;

15 (2) Each item of S corporation income, gain, loss, or deduction shall have  
16 the same character for a shareholder pursuant to sections 143.005 to 143.998 as  
17 it has for federal income tax purposes. Where an item is not characterized for  
18 federal income tax purposes, it shall have the same character for a shareholder  
19 as if realized directly from the source from which realized by the S corporation  
20 or incurred in the same manner as incurred by the S corporation.

21 3. A nonresident shareholder of an S corporation shall determine such  
22 shareholder's Missouri nonresident adjusted gross income and his or her  
23 nonresident shareholder modification by applying the provisions of this  
24 subsection. Items shall be determined to be from sources within this state  
25 pursuant to regulations of the director of revenue in a manner consistent with the  
26 division of income provisions of section 143.451, section 143.461, or section 32.200  
27 (Multistate Tax Compact). In determining the adjusted gross income of a  
28 nonresident shareholder of any S corporation, there shall be included only that  
29 part derived from or connected with sources in this state of the shareholder's pro  
30 rata share of items of S corporation income, gain, loss or deduction entering into  
31 shareholder's federal adjusted gross income, as such part is determined pursuant  
32 to regulations prescribed by the director of revenue in accordance with the  
33 general rules in section 143.181. Any modification described in subsections 2 and  
34 3 of section 143.121 and in section 143.141, which relates to an item of S  
35 corporation income, gain, loss, or deduction shall be made in accordance with the  
36 shareholder's pro rata share, for federal income tax purposes, of the item to which  
37 the modification relates, but limited to the portion of such item derived from or  
38 connected with sources in this state.

39 4. The director of revenue shall permit S corporations to file composite  
40 returns and to make composite payments of tax on behalf of its nonresident

41 shareholders not otherwise required to file a return. If the nonresident  
42 shareholder's filing requirements result solely from one or more interests in any  
43 other partnerships or subchapter S corporations, that nonresident shareholder  
44 may be included in the composite return.

45         5. If an S corporation pays or credits amounts to any of its nonresident  
46 individual shareholders as dividends or as their share of the S corporation's  
47 undistributed taxable income for the taxable year, the S corporation shall either  
48 timely file with the department of revenue an agreement as provided in  
49 subsection 6 of this section or withhold Missouri income tax as provided in  
50 subsection 7 of this section. An S corporation that timely files an agreement as  
51 provided in subsection 6 of this section with respect to a nonresident shareholder  
52 for a taxable year shall be considered to have timely filed such an agreement for  
53 each subsequent taxable year. An S corporation that does not timely file such an  
54 agreement for a taxable year shall not be precluded from timely filing such an  
55 agreement for subsequent taxable years. An S corporation is not required to  
56 deduct and withhold Missouri income tax for a nonresident shareholder if:

57         (1) The nonresident shareholder not otherwise required to file a return  
58 agrees to have the Missouri income tax due paid as part of the S corporation's  
59 composite return;

60         (2) The nonresident shareholder not otherwise required to file a return  
61 had Missouri assignable federal adjusted gross income from the S corporation of  
62 less than twelve hundred dollars;

63         (3) The S corporation is liquidated or terminated;

64         (4) Income was generated by a transaction related to termination or  
65 liquidation; or

66         (5) No cash or other property was distributed in the current and prior  
67 taxable year.

68         6. The agreement referred to in subdivision (1) of subsection 5 of this  
69 section is an agreement of a nonresident shareholder of the S corporation to:

70         (1) File a return in accordance with the provisions of section 143.481 and  
71 to make timely payment of all taxes imposed on the shareholder by this state  
72 with respect to income of the S corporation; and

73         (2) Be subject to personal jurisdiction in this state for purposes of the  
74 collection of income taxes, together with related interest and penalties, imposed  
75 on the shareholder by this state with respect to the income of the S  
76 corporation. The agreement will be considered timely filed for a taxable year, and

77 for all subsequent taxable years, if it is filed at or before the time the annual  
78 return for such taxable year is required to be filed pursuant to section 143.511.

79         7. The amount of Missouri income tax to be withheld is determined by  
80 multiplying the amount of dividends or undistributed income allocable to  
81 Missouri that is paid or credited to a nonresident shareholder during the taxable  
82 year by the highest rate used to determine a Missouri income tax liability for an  
83 individual, except that the amount of the tax withheld may be determined based  
84 on withholding tables provided by the director of revenue if the shareholder  
85 submits a Missouri withholding allowance certificate.

86         8. An S corporation shall be entitled to recover for a shareholder on whose  
87 behalf a tax payment was made pursuant to this section, if such shareholder has  
88 no tax liability.

89         9. With respect to S corporations that are banks or bank holding  
90 companies, a pro rata share of the tax credit for the tax payable pursuant to  
91 chapter 148 shall be allowed against each S corporation shareholders' state  
92 income tax as follows, provided the bank otherwise complies with section 148.112:

93         (1) The credit allowed by this subsection shall be equal to the bank tax  
94 calculated pursuant to chapter 148 based on bank income in 1999 and after, on  
95 a bank that makes an election pursuant to 26 U.S.C. Section 1362, and such  
96 credit shall be allocated to the qualifying shareholder according to stock  
97 ownership, determined by multiplying a fraction, where the numerator is the  
98 shareholder's stock, and the denominator is the total stock issued by such bank  
99 or bank holding company;

100         (2) The tax credit authorized in this subsection shall be permitted only to  
101 the shareholders that qualify as S corporation shareholders, provided the stock  
102 at all times during the taxable period qualifies as S corporation stock as defined  
103 in 26 U.S.C. Section 1361, and such stock is held by the shareholder during the  
104 taxable period. The credit created by this section on a yearly basis is available  
105 to each qualifying shareholder, including shareholders filing joint returns. A  
106 bank holding company is not allowed this credit, except that, such credit shall  
107 flow through to such bank holding company's qualified shareholders, and be  
108 allocated to such shareholders under the same conditions; and

109         (3) In the event such shareholder cannot use all or part of the tax credit  
110 in the taxable period of receipt, such shareholder may carry forward such tax  
111 credit for a period of the lesser of five years or until used, provided such credits  
112 are used as soon as the taxpayer has Missouri taxable income.

113           10. With respect to S corporations that are associations, a pro rata share  
114 of the tax credit for the tax payable under chapter 148 shall be allowed against  
115 each S corporation shareholders' state income tax as follows, provided the  
116 association otherwise complies with section 148.655:

117           (1) The credit allowed by this subsection shall be equal to the savings and  
118 loan association tax calculated under chapter 148 based on the computations  
119 provided in section 148.630 on an association that makes an election under 26  
120 U.S.C. Section 1362, and such credit shall be allocated to the qualifying  
121 shareholder according to stock ownership, determined by multiplying a fraction,  
122 where the numerator is the shareholder's stock, and the denominator is the total  
123 stock issued by the association;

124           (2) The tax credit authorized in this subsection shall be permitted only to  
125 the shareholders that qualify as S corporation shareholders, provided the stock  
126 at all times during the taxable period qualifies as S corporation stock as defined  
127 in 26 U.S.C. Section 1361, and such stock is held by the shareholder during the  
128 taxable period. The credit created by this section on a yearly basis is available  
129 to each qualifying shareholder, including shareholders filing joint returns. A  
130 savings and loan association holding company is not allowed this credit, except  
131 that, such credit shall flow through to such savings and loan association holding  
132 company's qualified shareholders, and be allocated to such shareholders under  
133 the same conditions; and

134           (3) In the event such shareholder cannot use all or part of the tax credit  
135 in the taxable period of receipt, such shareholder may carry forward such tax  
136 credit for a period of the lesser of five years or until used, provided such credits  
137 are used as soon as the taxpayer has Missouri taxable income.

138           11. With respect to S corporations that are credit institutions, a pro rata  
139 share of the tax credit for the tax payable under chapter 148 shall be allowed  
140 against each S corporation shareholders' state income tax as follows, provided the  
141 credit institution otherwise complies with section 148.657:

142           (1) The credit allowed by this subsection shall be equal to the credit  
143 institution tax calculated under chapter 148 based on the computations provided  
144 in section 148.150 on a credit institution that makes an election under 26 U.S.C.  
145 Section 1362, and such credit shall be allocated to the qualifying shareholder  
146 according to stock ownership, determined by multiplying a fraction, where the  
147 numerator is the shareholder's stock, and the denominator is the total stock  
148 issued by such credit institution;



149           (2) The tax credit authorized in this subsection shall be permitted only to  
150 the shareholders that qualify as S corporation shareholders, provided the stock  
151 at all times during the taxable period qualifies as S corporation stock as defined  
152 in 26 U.S.C. Section 1361, and such stock is held by the shareholder during the  
153 taxable period. The credit created by this section on a yearly basis is available  
154 to each qualifying shareholder, including shareholders filing joint returns. A  
155 credit institution holding company is not allowed this credit, except that, such  
156 credit shall flow through to such credit institution holding company's qualified  
157 shareholders, and be allocated to such shareholders under the same conditions;  
158 and

159           (3) In the event such shareholder cannot use all or part of the tax credit  
160 in the taxable period of receipt, such shareholder may carry forward such tax  
161 credit for a period of the lesser of five years or until used, provided such credits  
162 are used as soon as the taxpayer has Missouri taxable income.

163           **12. Notwithstanding any provision of law to the contrary, no tax**  
164 **credits provided under this section shall be authorized on or after**  
165 **August 28, 2013. The provisions of this subsection shall not be**  
166 **construed to limit or in any way impair the department's ability to**  
167 **issue tax credits authorized prior to August 28, 2013, or a taxpayer's**  
168 **ability to redeem such tax credits.**

148.064. 1. Notwithstanding any law to the contrary, this section shall  
2 determine the ordering and limit reductions for certain taxes and tax credits  
3 which may be used as credits against various taxes paid or payable by banking  
4 institutions. Except as adjusted in subsections 2, 3 and 6 of this section, such  
5 credits shall be applied in the following order until used against:

6           (1) The tax on banks determined under subdivision (2) of subsection 2 of  
7 section 148.030;

8           (2) The tax on banks determined under subdivision (1) of subsection 2 of  
9 section 148.030;

10           (3) The state income tax in section 143.071.

11           2. The tax credits permitted against taxes payable pursuant to subdivision  
12 (2) of subsection 2 of section 148.030 shall be utilized first and include taxes  
13 referenced in subdivisions (2) and (3) of subsection 1 of this section, which shall  
14 be determined without reduction for any tax credits identified in subsection 5 of  
15 this section which are used to reduce such taxes. Where a banking institution  
16 subject to this section joins in the filing of a consolidated state income tax return

17 under chapter 143, the credit allowed under this section for state income taxes  
18 payable under chapter 143 shall be determined based upon the consolidated state  
19 income tax liability of the group and allocated to a banking institution, without  
20 reduction for any tax credits identified in subsection 5 of this section which are  
21 used to reduce such consolidated taxes as provided in chapter 143.

22 3. The taxes referenced in subdivisions (2) and (3) of subsection 1 of this  
23 section may be reduced by the tax credits in subsection 5 of this section without  
24 regard to any adjustments in subsection 2 of this section.

25 4. To the extent that certain tax credits which the taxpayer is entitled to  
26 claim are transferable, such transferability may include transfers among such  
27 taxpayers who are members of a single consolidated income tax return, and this  
28 subsection shall not impact other tax credit transferability.

29 5. For the purpose of this section, the tax credits referred to in  
30 subsections 2 and 3 shall include tax credits available for economic development,  
31 low-income housing and neighborhood assistance which the taxpayer is entitled  
32 to claim for the year, including by way of example and not of limitation, tax  
33 credits pursuant to the following sections: section 32.115, section 100.286, and  
34 sections 135.110, 135.225, 135.352 and 135.403.

35 6. For tax returns filed on or after January 1, 2001, including returns  
36 based on income in the year 2000, and after, a banking institution shall be  
37 entitled to an annual tax credit equal to one-sixtieth of one percent of its  
38 outstanding shares and surplus employed in this state if the outstanding shares  
39 and surplus exceed one million dollars, determined in the same manner as in  
40 section 147.010. This tax credit shall be taken as a dollar-for-dollar credit  
41 against the bank tax provided for in subdivision (2) of subsection 2 of section  
42 148.030; if such bank tax was already reduced to zero by other credits, then  
43 against the corporate income tax provided for in chapter 143.

44 7. In the event the corporation franchise tax in chapter 147 is repealed by  
45 the general assembly, there shall also be a reduction in the taxation of banks as  
46 follows: in lieu of the loss of the corporation franchise tax credit reduction in  
47 subdivision (1) of subsection 2 of section 148.030, the bank shall receive a tax  
48 credit equal to one and one-half percent of net income as determined in this  
49 chapter. This subsection shall take effect at the same time the corporation  
50 franchise tax in chapter 147 is repealed.

51 8. An S corporation bank or bank holding company that otherwise  
52 qualifies to distribute tax credits to its shareholders shall pass through any tax

53 credits referred to in subsection 5 of this section to its shareholders as otherwise  
54 provided for in subsection 9 of section 143.471 with no reductions or limitations  
55 resulting from the transfer through such S corporation, and on the same terms  
56 originally made available to the original taxpayer, subject to any original dollar  
57 or percentage limitations on such credits, and when such S corporation is the  
58 original taxpayer, treating such S corporation as having not elected Subchapter  
59 S status.

60       9. Notwithstanding any law to the contrary, in the event the corporation  
61 franchise tax in chapter 147 is repealed by the general assembly, after such  
62 repeal all Missouri taxes of any nature and type imposed directly or used as a tax  
63 credit against the bank's taxes shall be passed through to the S corporation bank  
64 or bank holding company shareholder in the form otherwise permitted by law,  
65 except for the following:

66       (1) Credits for taxes on real estate and tangible personal property owned  
67 by the bank and held for lease or rental to others;

68       (2) Contributions paid pursuant to the unemployment compensation tax  
69 law of Missouri; or

70       (3) State and local sales and use taxes collected by the bank on its sales  
71 of tangible personal property and the services enumerated in chapter 144.

72       **10. Notwithstanding any provision of law to the contrary, no tax**  
73 **credits provided under this section shall be authorized on or after**  
74 **August 28, 2013. The provisions of this subsection shall not be**  
75 **construed to limit or in any way impair the department's ability to**  
76 **issue tax credits authorized prior to August 28, 2013, or a taxpayer's**  
77 **ability to redeem such tax credits.**

148.400. 1. All insurance companies or associations organized in or  
2 admitted to this state may deduct from premium taxes payable to this state, in  
3 addition to all other credits allowed by law, income taxes, franchise taxes,  
4 personal property taxes, valuation fees, registration fees and examination fees  
5 paid, including taxes and fees paid by the attorney-in-fact of a reciprocal or  
6 interinsurance exchange to the extent attributable to the principal business as  
7 such attorney-in-fact, under any law of this state. Unless rejected by the general  
8 assembly by April 1, 2003, for all tax years beginning on or after January 1, 2003,  
9 a deduction for examination fees which exceeds an insurance company's or  
10 association's premium tax liability for the same tax year shall not be refundable,  
11 but may be carried forward to any subsequent tax year, not to exceed five years,

12 until the full deduction is claimed; except that, notwithstanding the provisions  
13 of section 148.380, if any deduction is claimed through the carryforward  
14 provisions of this section, it shall be credited wholly against the general revenue  
15 fund and shall not cause a reduction in revenue to the county foreign insurance  
16 fund.

17 **2. Notwithstanding any provision of law to the contrary, no tax**  
18 **credits provided under this section shall be authorized on or after**  
19 **August 28, 2013. The provisions of this subsection shall not be**  
20 **construed to limit or in any way impair the department's ability to**  
21 **issue tax credits authorized prior to August 28, 2013, or a taxpayer's**  
22 **ability to redeem such tax credits.**

208.770. 1. Moneys deposited in or withdrawn pursuant to subsection 1  
2 of section 208.760 from a family development account by an account holder are  
3 exempted from taxation pursuant to chapter 143, excluding withholding tax  
4 imposed by sections 143.191 to 143.265, and chapter 147, 148 or 153 provided,  
5 however, that any money withdrawn for an unapproved use should be subject to  
6 tax as required by law.

7 2. Interest earned by a family development account is exempted from  
8 taxation pursuant to chapter 143.

9 3. Any funds in a family development account, including accrued interest,  
10 shall be disregarded when determining eligibility to receive, or the amount of, any  
11 public assistance or benefits.

12 4. A program contributor shall be allowed a credit against the tax imposed  
13 by chapter 143, excluding withholding tax imposed by sections 143.191 to  
14 143.265, and chapter 147, 148 or 153, pursuant to sections 208.750 to  
15 208.775. **For all taxable years ending on or before December 31, 2011,**  
16 **contributions up to fifty thousand dollars per program contributor are eligible for**  
17 **the tax credit which shall not exceed fifty percent of the contribution**  
18 **amount. For all taxable years beginning on or after January 1, 2012,**  
19 **contributions up to fifty thousand dollars per program contributor are**  
20 **eligible for the tax credit which shall not exceed thirty-five percent of**  
21 **the contribution amount.**

22 5. The department of economic development shall verify all tax credit  
23 claims by contributors. The administrator of the community-based organization,  
24 with the cooperation of the participating financial institutions, shall submit the  
25 names of contributors and the total amount each contributor contributes to a

26 family development account reserve fund for the calendar year. The director shall  
27 determine the date by which such information shall be submitted to the  
28 department by the local administrator. The department shall submit verification  
29 of qualified tax credits pursuant to sections 208.750 to 208.775 to the department  
30 of revenue.

31 6. For all fiscal years ending on or before June 30, 2010, the total tax  
32 credits authorized pursuant to sections 208.750 to 208.775 shall not exceed four  
33 million dollars in any fiscal year. For all fiscal years beginning on or after July  
34 1, 2010, the total tax credits authorized under sections 208.750 to 208.775 shall  
35 not exceed three hundred thousand dollars in any fiscal year.

36 **7. Notwithstanding any provision of law to the contrary, no tax**  
37 **credits provided under this section shall be authorized on or after**  
38 **August 28, 2017. The provisions of this subsection shall not be**  
39 **construed to limit or in any way impair the department's ability to**  
40 **issue tax credits authorized prior to August 28, 2017, or a taxpayer's**  
41 **ability to redeem such tax credits.**

253.550. 1. Any taxpayer incurring costs and expenses for the  
2 rehabilitation of eligible property, which is a certified historic structure or  
3 structure in a certified historic district, may, subject to the provisions of this  
4 section and section 253.559, receive a credit against the taxes imposed pursuant  
5 to chapters 143 and 148, except for sections 143.191 to 143.265, on such taxpayer  
6 in an amount equal to twenty-five percent of the total costs and expenses of  
7 rehabilitation incurred after January 1, 1998, which shall include, but not be  
8 limited to, qualified rehabilitation expenditures as defined under section  
9 47(c)(2)(A) of the Internal Revenue Code of 1986, as amended, and the related  
10 regulations thereunder, provided the rehabilitation costs associated with  
11 rehabilitation and the expenses exceed fifty percent of the total basis in the  
12 property and the rehabilitation meets standards consistent with the standards  
13 of the Secretary of the United States Department of the Interior for rehabilitation  
14 as determined by the state historic preservation officer of the Missouri  
15 department of natural resources.

16 2. During the period beginning on January 1, 2010, but ending on or after  
17 June 30, 2010, the department of economic development shall not approve  
18 applications for tax credits under the provisions of subsections 3 and 8 of section  
19 253.559 which, in the aggregate, exceed seventy million dollars, increased by any  
20 amount of tax credits for which approval shall be rescinded under the provisions

21 of section 253.559. For each fiscal year beginning on or after July 1, 2010, **but**  
22 **ending on or before June 30, 2012**, the department of economic development  
23 shall not approve applications for tax credits under the provisions of subsections  
24 3 and 8 of section 253.559 which, in the aggregate, exceed one hundred forty  
25 million dollars, increased by any amount of tax credits for which approval shall  
26 be rescinded under the provisions of section 253.559. The limitations provided  
27 under this subsection shall not apply to applications approved under the  
28 provisions of subsection 3 of section 253.559 for projects to receive less than two  
29 hundred seventy-five thousand dollars in tax credits.

30 3. For all applications for tax credits approved on or after January 1,  
31 2010, **but before June 30, 2012**, no more than two hundred fifty thousand  
32 dollars in tax credits may be issued for eligible costs and expenses incurred in the  
33 rehabilitation of an eligible property which is a nonincome producing  
34 single-family, owner-occupied residential property and is either a certified historic  
35 structure or a structure in a certified historic district.

36 4. The limitations on tax credit authorization provided under the  
37 provisions of subsections 2 and 3 of this section shall not apply to:

38 (1) Any application submitted by a taxpayer, which has received approval  
39 from the department prior to January 1, 2010; or

40 (2) Any taxpayer applying for tax credits, provided under this section,  
41 which, on or before January 1, 2010, has filed an application with the department  
42 evidencing that such taxpayer:

43 (a) Has incurred costs and expenses for an eligible property which exceed  
44 the lesser of five percent of the total project costs or one million dollars and  
45 received an approved Part I from the Secretary of the United States Department  
46 of Interior; or

47 (b) Has received certification, by the state historic preservation officer,  
48 that the rehabilitation plan meets the standards consistent with the standards  
49 of the Secretary of the United States Department of the Interior, and the  
50 rehabilitation costs and expenses associated with such rehabilitation shall exceed  
51 fifty percent of the total basis in the property.

52 5. **For each fiscal year beginning on or after July 1, 2012, the**  
53 **department of economic development shall not approve applications for**  
54 **tax credits under the provisions of subsections 3 and 8 of section**  
55 **253.559 which, in the aggregate, exceed seventy-five million dollars,**  
56 **increased by any amount of tax credits for which approval shall be**

57 rescinded under the provisions of section 253.559.

58           **6. For all applications for tax credits approved on or after July**  
59 **1, 2012, no more than fifty thousand dollars in tax credits may be issued**  
60 **for eligible costs and expenses incurred in the rehabilitation of an**  
61 **eligible property which is a nonincome producing single-family,**  
62 **owner-occupied residential property and is either a certified historic**  
63 **structure or a structure in a certified historic district. For purposes of**  
64 **this subsection, "eligible property" shall not include any property with**  
65 **a purchase price in excess of one hundred fifty thousand dollars.**

66           **7. In lieu of the limitations on tax credit authorization provided**  
67 **under the provisions of subsections 5 and 6 of this section, the**  
68 **limitations on tax credit authorization provided under the provisions**  
69 **of subsections 2 and 3 of this section shall apply to:**

70           **(1) Any application submitted by a taxpayer, which has received**  
71 **approval from the department prior to July 1, 2012; or**

72           **(2) Any taxpayer applying for tax credits, provided under this**  
73 **section, which, on or before January 1, 2012, has filed an application**  
74 **with the department evidencing that such taxpayer:**

75           **(a) Has incurred costs and expenses for an eligible property**  
76 **which exceed the lesser of fifteen percent of the total project costs or**  
77 **three million dollars and received an approved Part I from the**  
78 **Secretary of the United States Department of Interior; or**

79           **(b) Has received certification, by the state historic preservation**  
80 **officer, that the rehabilitation plan meets the standards consistent with**  
81 **the standards of the Secretary of the United States Department of the**  
82 **Interior, and the rehabilitation costs and expenses associated with such**  
83 **rehabilitation shall exceed fifty percent of the total basis in the**  
84 **property.**

253.557. 1. If the amount of such credit exceeds the total tax liability for  
2 the year in which the rehabilitated property is placed in service, the amount that  
3 exceeds the state tax liability may be carried back to any of the three preceding  
4 years and carried forward for credit against the taxes imposed pursuant to  
5 chapter 143 and chapter 148, except for sections 143.191 to 143.265 for the  
6 succeeding ten years, or until the full credit is used, whichever occurs  
7 first. Not-for-profit entities, including but not limited to corporations organized  
8 as not-for-profit corporations pursuant to chapter 355 shall be ineligible for the  
9 tax credits authorized under sections 253.545 [through 253.561] **to 253.559. Any**

10 **taxpayer that receives tax credits under the provisions of sections**  
11 **135.350 to 135.363 or sections 135.475 to 135.487 shall be ineligible for**  
12 **the tax credits authorized under sections 253.545 to 253.559 for the**  
13 **same project.** Taxpayers eligible for such tax credits may transfer, sell or  
14 assign the credits. Credits granted to a partnership, a limited liability company  
15 taxed as a partnership or multiple owners of property shall be passed through to  
16 the partners, members or owners respectively pro rata or pursuant to an executed  
17 agreement among the partners, members or owners documenting an alternate  
18 distribution method.

19         2. The assignee of the tax credits, hereinafter the assignee for purposes  
20 of this subsection, may use acquired credits to offset up to one hundred percent  
21 of the tax liabilities otherwise imposed pursuant to chapter 143 and chapter 148,  
22 except for sections 143.191 to 143.265. The assignor shall perfect such transfer  
23 by notifying the department of economic development in writing within thirty  
24 calendar days following the effective date of the transfer and shall provide any  
25 information as may be required by the department of economic development to  
26 administer and carry out the provisions of this section.

253.559. 1. To obtain approval for tax credits allowed under sections  
2 253.545 to 253.559, a taxpayer shall submit an application for tax credits to the  
3 department of economic development. Each application for approval, including  
4 any applications received for supplemental allocations of tax credits as provided  
5 under subsection 8 of this section, shall be prioritized for review and approval,  
6 in the order of the date on which the application was postmarked, with the oldest  
7 postmarked date receiving priority. Applications postmarked on the same day  
8 shall go through a lottery process to determine the order in which such  
9 applications shall be reviewed.

10         2. Each application shall be reviewed by the department of economic  
11 development for approval. In order to receive approval, an application, other  
12 than applications submitted under the provisions of subsection 8 of this section,  
13 shall include:

14         (1) Proof of ownership or site control. Proof of ownership shall include  
15 evidence that the taxpayer is the fee simple owner of the eligible property, such  
16 as a warranty deed or a closing statement. Proof of site control may be evidenced  
17 by a leasehold interest or an option to acquire such an interest. If the taxpayer  
18 is in the process of acquiring fee simple ownership, proof of site control shall  
19 include an executed sales contract or an executed option to purchase the eligible



20 property;

21 (2) Floor plans of the existing structure, architectural plans, and, where  
22 applicable, plans of the proposed alterations to the structure, as well as proposed  
23 additions;

24 (3) The estimated cost of rehabilitation, the anticipated total costs of the  
25 project, the actual basis of the property, as shown by proof of actual acquisition  
26 costs, the anticipated total labor costs, the estimated project start date, and the  
27 estimated project completion date;

28 (4) Proof that the property is an eligible property and a certified historic  
29 structure or a structure in a certified historic district; and

30 (5) Any other information which the department of economic development  
31 may reasonably require to review the project for approval. Only the property for  
32 which a property address is provided in the application shall be reviewed for  
33 approval. Once selected for review, a taxpayer shall not be permitted to request  
34 the review of another property for approval in the place of the property contained  
35 in such application. Any disapproved application shall be removed from the  
36 review process. If an application is removed from the review process, the  
37 department of economic development shall notify the taxpayer in writing of the  
38 decision to remove such application. Disapproved applications shall lose priority  
39 in the review process. A disapproved application, which is removed from the  
40 review process, may be resubmitted, but shall be deemed to be a new submission  
41 for purposes of the priority procedures described in this section.

42 3. If the department of economic development deems the application  
43 sufficient, the taxpayer shall be notified in writing of the approval for an amount  
44 of tax credits equal to the amount provided under section 253.550 less any  
45 amount of tax credits previously approved. Such approvals shall be granted to  
46 applications in the order of priority established under this section and shall  
47 require full compliance thereafter with all other requirements of law as a  
48 condition to any claim for such credits.

49 4. Following approval of an application, the identity of the taxpayer  
50 contained in such application shall not be modified except:

51 (1) The taxpayer may add partners, members, or shareholders as part of  
52 the ownership structure, so long as the principal remains the same, provided  
53 however, that subsequent to the commencement of renovation and the  
54 expenditure of at least ten percent of the proposed rehabilitation budget, removal  
55 of the principal for failure to perform duties and the appointment of a new

56 principal thereafter shall not constitute a change of the principal; or

57 (2) Where the ownership of the project is changed due to a foreclosure,  
58 deed in lieu of a foreclosure or voluntary conveyance, or a transfer in bankruptcy.

59 5. In the event that the department of economic development grants  
60 approval for tax credits equal to the **applicable** total amount available under  
61 subsection 2 **or** 5 of section 253.550, or sufficient that when totaled with all other  
62 approvals, the **applicable** amount available under subsection 2 **or** 5 of section  
63 253.550 is exhausted, all taxpayers with applications then awaiting approval or  
64 thereafter submitted for approval shall be notified by the department of economic  
65 development that no additional approvals shall be granted during the fiscal year  
66 and shall be notified of the priority given to such taxpayer's application then  
67 awaiting approval. Such applications shall be kept on file by the department of  
68 economic development and shall be considered for approval for tax credits in the  
69 order established in this section in the event that additional credits become  
70 available due to the rescission of approvals or when a new fiscal year's allocation  
71 of credits becomes available for approval.

72 6. All taxpayers with applications receiving approval on or after the  
73 effective date of this act shall commence rehabilitation within two years of the  
74 date of issuance of the letter from the department of economic development  
75 granting the approval for tax credits. "Commencement of rehabilitation" shall  
76 mean that as of the date in which actual physical work, contemplated by the  
77 architectural plans submitted with the application, has begun, the taxpayer has  
78 incurred no less than ten percent of the estimated costs of rehabilitation provided  
79 in the application. Taxpayers with approval of a project shall submit evidence of  
80 compliance with the provisions of this subsection. If the department of economic  
81 development determines that a taxpayer has failed to comply with the  
82 requirements provided under this section, the approval for the amount of tax  
83 credits for such taxpayer shall be rescinded and such amount of tax credits shall  
84 then be included in the **applicable** total amount of tax credits, provided under  
85 subsection 2 **or** 5 of section 253.550, from which approvals may be granted. Any  
86 taxpayer whose approval shall be subject to rescission shall be notified of such  
87 from the department of economic development and, upon receipt of such notice,  
88 may submit a new application for the project.

89 7. To claim the credit authorized under sections 253.550 to 253.559, a  
90 taxpayer with approval shall apply for final approval and issuance of tax credits  
91 from the department of economic development which, in consultation with the

92 department of natural resources, shall determine the final amount of eligible  
93 rehabilitation costs and expenses and whether the completed rehabilitation meets  
94 the standards of the Secretary of the United States Department of the Interior  
95 for rehabilitation as determined by the state historic preservation officer of the  
96 Missouri department of natural resources. For financial institutions credits  
97 authorized pursuant to sections 253.550 to 253.561 shall be deemed to be  
98 economic development credits for purposes of section 148.064. The approval of  
99 all applications and the issuing of certificates of eligible credits to taxpayers shall  
100 be performed by the department of economic development. The department of  
101 economic development shall inform a taxpayer of final approval by letter and  
102 shall issue, to the taxpayer, tax credit certificates. The taxpayer shall attach the  
103 certificate to all Missouri income tax returns on which the credit is claimed.

104       8. Except as expressly provided in this subsection, tax credit certificates  
105 shall be issued in the final year that costs and expenses of rehabilitation of the  
106 project are incurred, or within the twelve-month period immediately following the  
107 conclusion of such rehabilitation. In the event the amount of eligible  
108 rehabilitation costs and expenses incurred by a taxpayer would result in the  
109 issuance of an amount of tax credits in excess of the amount provided under such  
110 taxpayer's approval granted under subsection 3 of this section, such taxpayer may  
111 apply to the department for issuance of tax credits in an amount equal to such  
112 excess. Applications for issuance of tax credits in excess of the amount provided  
113 under a taxpayer's application shall be made on a form prescribed by the  
114 department. Such applications shall be subject to all provisions regarding  
115 priority provided under subsection 1 of this section.

116       9. The department of economic development shall determine, on an annual  
117 basis, the overall economic impact to the state from the rehabilitation of eligible  
118 property.

119       **10. Notwithstanding any provision of law to the contrary, no tax**  
120 **credits provided under sections 253.545 to 253.559 shall be authorized**  
121 **on or after August 28, 2017. The provisions of this subsection shall not**  
122 **be construed to limit or in any way impair the department's ability to**  
123 **issue tax credits authorized prior to August 28, 2017, or a taxpayer's**  
124 **ability to redeem such tax credits.**

348.430. 1. The tax credit created in this section shall be known as the  
2 "Agricultural Product Utilization Contributor Tax Credit".

3       2. As used in this section, the following terms mean:

4           (1) "Authority", the agriculture and small business development authority  
5 as provided in this chapter;

6           (2) "Contributor", an individual, partnership, corporation, trust, limited  
7 liability company, entity or person that contributes cash funds to the authority;

8           (3) "Development facility", a facility producing either a good derived from  
9 an agricultural commodity or using a process to produce a good derived from an  
10 agricultural product;

11           (4) "Eligible new generation cooperative", a nonprofit cooperative  
12 association formed pursuant to chapter 274, or incorporated pursuant to chapter  
13 357, for the purpose of operating within this state a development facility or a  
14 renewable fuel production facility;

15           (5) "Eligible new generation processing entity", a partnership, corporation,  
16 cooperative, or limited liability company organized or incorporated pursuant to  
17 the laws of this state consisting of not less than twelve members, approved by the  
18 authority, for the purpose of owning or operating within this state a development  
19 facility or a renewable fuel production facility in which producer members:

20           (a) Hold a majority of the governance or voting rights of the entity and  
21 any governing committee;

22           (b) Control the hiring and firing of management; and

23           (c) Deliver agricultural commodities or products to the entity for  
24 processing, unless processing is required by multiple entities;

25           (6) "Renewable fuel production facility", a facility producing an energy  
26 source which is derived from a renewable, domestically grown, organic compound  
27 capable of powering machinery, including an engine or power plant, and any  
28 by-product derived from such energy source.

29           3. For all tax years beginning on or after January 1, 1999, a contributor  
30 who contributes funds to the authority may receive a credit against the tax or  
31 estimated quarterly tax otherwise due pursuant to chapter 143, other than taxes  
32 withheld pursuant to sections 143.191 to 143.265, chapter 148 chapter 147, in an  
33 amount of up to one hundred percent of such contribution. Tax credits claimed  
34 in a taxable year may be done so on a quarterly basis and applied to the  
35 estimated quarterly tax pursuant to this subsection. If a quarterly tax credit  
36 claim or series of claims contributes to causing an overpayment of taxes for a  
37 taxable year, such overpayment shall not be refunded but shall be applied to the  
38 next taxable year. The awarding of such credit shall be at the approval of the  
39 authority, based on the least amount of credits necessary to provide incentive for

40 the contributions. A contributor that receives tax credits for a contribution to the  
41 authority shall receive no other consideration or compensation for such  
42 contribution, other than a federal tax deduction, if applicable, and goodwill.

43 4. A contributor shall submit to the authority an application for the tax  
44 credit authorized by this section on a form provided by the authority. If the  
45 contributor meets all criteria prescribed by this section and the authority, the  
46 authority shall issue a tax credit certificate in the appropriate amount. Tax  
47 credits issued pursuant to this section may be claimed in the taxable year in  
48 which the contributor contributes funds to the authority. For all fiscal years  
49 beginning on or after July 1, 2004, tax credits allowed pursuant to this section  
50 may be carried back to any of the contributor's three prior tax years and may be  
51 carried forward to any of the contributor's five subsequent taxable years. Tax  
52 credits issued pursuant to this section may be assigned, transferred or sold and  
53 the new owner of the tax credit shall have the same rights in the credit as the  
54 contributor. Whenever a certificate of tax credit is assigned, transferred, sold or  
55 otherwise conveyed, a notarized endorsement shall be filed with the authority  
56 specifying the name and address of the new owner of the tax credit or the value  
57 of the credit.

58 5. The funds derived from contributions in this section shall be used for  
59 financial assistance or technical assistance for the purposes provided in section  
60 348.407 to rural agricultural business concepts as approved by the authority. The  
61 authority may provide or facilitate loans, equity investments, or guaranteed loans  
62 for rural agricultural business concepts, but limited to two million dollars per  
63 project or the net state economic impact, whichever is less. Loans, equity  
64 investments or guaranteed loans may only be provided to feasible projects, and  
65 for an amount that is the least amount necessary to cause the project to occur, as  
66 determined by the authority. The authority may structure the loans, equity  
67 investments or guaranteed loans in a way that facilitates the project, but also  
68 provides for a compensatory return on investment or loan payment to the  
69 authority, based on the risk of the project.

70 6. In any given year, at least ten percent of the funds granted to rural  
71 agricultural business concepts shall be awarded to grant requests of twenty-five  
72 thousand dollars or less. No single rural agricultural business concept shall  
73 receive more than two hundred thousand dollars in grant awards from the  
74 authority. Agricultural businesses owned by minority members or women shall  
75 be given consideration in the allocation of funds.

76           **7. Notwithstanding any provision of law to the contrary, no tax**  
77           **credits provided under this section shall be authorized on or after**  
78           **August 28, 2015. The provisions of this subsection shall not be**  
79           **construed to limit or in any way impair the department's ability to**  
80           **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**  
81           **ability to redeem such tax credits.**

          348.432. 1. The tax credit created in this section shall be known as the  
2    "New Generation Cooperative Incentive Tax Credit".

3           2. As used in this section, the following terms mean:

4           (1) "Authority", the agriculture and small business development authority  
5    as provided in this chapter;

6           (2) "Development facility", a facility producing either a good derived from  
7    an agricultural commodity or using a process to produce a good derived from an  
8    agricultural product;

9           (3) "Eligible new generation cooperative", a nonprofit cooperative  
10   association formed pursuant to chapter 274 or incorporated pursuant to chapter  
11   357 for the purpose of operating within this state a development facility or a  
12   renewable fuel production facility and approved by the authority;

13          (4) "Eligible new generation processing entity", a partnership, corporation,  
14   cooperative, or limited liability company organized or incorporated pursuant to  
15   the laws of this state consisting of not less than twelve members, approved by the  
16   authority, for the purpose of owning or operating within this state a development  
17   facility or a renewable fuel production facility in which producer members:

18          (a) Hold a majority of the governance or voting rights of the entity and  
19   any governing committee;

20          (b) Control the hiring and firing of management; and

21          (c) Deliver agricultural commodities or products to the entity for  
22   processing, unless processing is required by multiple entities;

23          (5) "Employee-qualified capital project", an eligible new generation  
24   cooperative with capital costs greater than fifteen million dollars which will  
25   employ at least sixty employees;

26          (6) "Large capital project", an eligible new generation cooperative with  
27   capital costs greater than one million dollars;

28          (7) "Producer member", a person, partnership, corporation, trust or limited  
29   liability company whose main purpose is agricultural production that invests cash  
30   funds to an eligible new generation cooperative or eligible new generation

31 processing entity;

32 (8) "Renewable fuel production facility", a facility producing an energy  
33 source which is derived from a renewable, domestically grown, organic compound  
34 capable of powering machinery, including an engine or power plant, and any  
35 by-product derived from such energy source;

36 (9) "Small capital project", an eligible new generation cooperative with  
37 capital costs of no more than one million dollars.

38 3. Beginning tax year 1999, and ending December 31, 2002, any producer  
39 member who invests cash funds in an eligible new generation cooperative or  
40 eligible new generation processing entity may receive a credit against the tax or  
41 estimated quarterly tax otherwise due pursuant to chapter 143, other than taxes  
42 withheld pursuant to sections 143.191 to 143.265 or chapter 148, chapter 147, in  
43 an amount equal to the lesser of fifty percent of such producer member's  
44 investment or fifteen thousand dollars.

45 4. For all tax years beginning on or after January 1, 2003, any producer  
46 member who invests cash funds in an eligible new generation cooperative or  
47 eligible new generation processing entity may receive a credit against the tax or  
48 estimated quarterly tax otherwise due pursuant to chapter 143, other than taxes  
49 withheld pursuant to sections 143.191 to 143.265, chapter 147 or chapter 148, in  
50 an amount equal to the lesser of fifty percent of such producer member's  
51 investment or fifteen thousand dollars. Tax credits claimed in a taxable year may  
52 be done so on a quarterly basis and applied to the estimated quarterly tax  
53 pursuant to subsection 3 of this section. If a quarterly tax credit claim or series  
54 of claims contributes to causing an overpayment of taxes for a taxable year, such  
55 overpayment shall not be refunded but shall be applied to the next taxable year.

56 5. A producer member shall submit to the authority an application for the  
57 tax credit authorized by this section on a form provided by the authority. If the  
58 producer member meets all criteria prescribed by this section and is approved by  
59 the authority, the authority shall issue a tax credit certificate in the appropriate  
60 amount. Tax credits issued pursuant to this section may be carried back to any  
61 of the producer member's three prior taxable years and carried forward to any of  
62 the producer member's five subsequent taxable years regardless of the type of tax  
63 liability to which such credits are applied as authorized pursuant to subsection  
64 3 of this section. Tax credits issued pursuant to this section may be assigned,  
65 transferred, sold or otherwise conveyed and the new owner of the tax credit shall  
66 have the same rights in the credit as the producer member. Whenever a

67 certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a  
68 notarized endorsement shall be filed with the authority specifying the name and  
69 address of the new owner of the tax credit or the value of the credit.

70           6. Ten percent of the tax credits authorized pursuant to this section  
71 initially shall be offered in any fiscal year to small capital projects. If any portion  
72 of the ten percent of tax credits offered to small capital costs projects is unused  
73 in any calendar year, then the unused portion of tax credits may be offered to  
74 employee-qualified capital projects and large capital projects. If the authority  
75 receives more applications for tax credits for small capital projects than tax  
76 credits are authorized therefor, then the authority, by rule, shall determine the  
77 method of distribution of tax credits authorized for small capital projects.

78           7. Ninety percent of the tax credits authorized pursuant to this section  
79 initially shall be offered in any fiscal year to employee-qualified capital projects  
80 and large capital projects. If any portion of the ninety percent of tax credits  
81 offered to employee-qualified capital projects and large capital costs projects is  
82 unused in any fiscal year, then the unused portion of tax credits may be offered  
83 to small capital projects. The maximum tax credit allowed per employee-qualified  
84 capital project is three million dollars and the maximum tax credit allowed per  
85 large capital project is one million five hundred thousand dollars. If the  
86 authority approves the maximum tax credit allowed for any employee-qualified  
87 capital project or any large capital project, then the authority, by rule, shall  
88 determine the method of distribution of such maximum tax credit. In addition,  
89 if the authority receives more tax credit applications for employee-qualified  
90 capital projects and large capital projects than the amount of tax credits  
91 authorized therefor, then the authority, by rule, shall determine the method of  
92 distribution of tax credits authorized for employee-qualified capital projects and  
93 large capital projects.

94           **8. Notwithstanding any provision of law to the contrary, no tax**  
95 **credits provided under this section shall be authorized on or after**  
96 **August 28, 2015. The provisions of this subsection shall not be**  
97 **construed to limit or in any way impair the department's ability to**  
98 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**  
99 **ability to redeem such tax credits.**

348.505. 1. As used in this section, "state tax liability", any state tax  
2 liability incurred by a taxpayer under the provisions of chapters 143, 147, and  
3 148, exclusive of the provisions relating to the withholding of tax as provided for



4 in sections 143.191 to 143.265 and related provisions.

5           2. Any eligible lender under the family farm livestock loan program under  
6 section 348.500 shall be entitled to receive a tax credit equal to one hundred  
7 percent of the amount of interest waived by the lender under section 348.500 on  
8 a qualifying loan for the first year of the loan only. The tax credit shall be  
9 evidenced by a tax credit certificate issued by the agricultural and small business  
10 development authority and may be used to satisfy the state tax liability of the  
11 owner of such certificate that becomes due in the tax year in which the interest  
12 on a qualified loan is waived by the lender under section 348.500. No lender may  
13 receive a tax credit under this section unless such person presents a tax credit  
14 certificate to the department of revenue for payment of such state tax  
15 liability. The amount of the tax credits that may be issued to all eligible lenders  
16 claiming tax credits authorized in this section in a fiscal year shall not exceed  
17 three hundred thousand dollars.

18           3. The agricultural and small business development authority shall be  
19 responsible for the administration and issuance of the certificate of tax credits  
20 authorized by this section. The authority shall issue a certificate of tax credit at  
21 the request of any lender. Each request shall include a true copy of the loan  
22 documents, the name of the lender who is to receive a certificate of tax credit, the  
23 type of state tax liability against which the tax credit is to be used, and the  
24 amount of the certificate of tax credit to be issued to the lender based on the  
25 interest waived by the lender under section 348.500 on the loan for the first year.

26           4. The Missouri department of revenue shall accept a certificate of tax  
27 credit in lieu of other payment in such amount as is equal to the lesser of the  
28 amount of the tax or the remaining unused amount of the credit as indicated on  
29 the certificate of tax credit, and shall indicate on the certificate of tax credit the  
30 amount of tax thereby paid and the date of such payment.

31           5. The following provisions shall apply to tax credits authorized under  
32 this section:

33           (1) Tax credits claimed in a taxable year may be claimed on a quarterly  
34 basis and applied to the estimated quarterly tax of the lender;

35           (2) Any amount of tax credit which exceeds the tax due, including any  
36 estimated quarterly taxes paid by the lender under subdivision (1) of this  
37 subsection which results in an overpayment of taxes for a taxable year, shall not  
38 be refunded but may be carried over to any subsequent taxable year, not to  
39 exceed a total of three years for which a tax credit may be taken for a qualified

40 family farm livestock loan;

41 (3) Notwithstanding any provision of law to the contrary, a lender may  
42 assign, transfer or sell tax credits authorized under this section, with the new  
43 owner of the tax credit receiving the same rights in the tax credit as the  
44 lender. For any tax credits assigned, transferred, sold, or otherwise conveyed, a  
45 notarized endorsement shall be filed by the lender with the authority specifying  
46 the name and address of the new owner of the tax credit and the value of such  
47 tax credit; and

48 (4) Notwithstanding any other provision of this section to the contrary,  
49 any commercial bank may use tax credits created under this section as provided  
50 in section 148.064 and receive a net tax credit against taxes actually paid in the  
51 amount of the first year's interest on loans made under this section. If such first  
52 year tax credits reduce taxes due as provided in section 148.064 to zero, the  
53 remaining tax credits may be carried over as otherwise provided in this section  
54 and utilized as provided in section 148.064 in subsequent years.

55 **6. Notwithstanding any provision of law to the contrary, no tax**  
56 **credits provided under this section shall be authorized on or after**  
57 **August 28, 2015. The provisions of this subsection shall not be**  
58 **construed to limit or in any way impair the department's ability to**  
59 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**  
60 **ability to redeem such tax credits.**

375.774. 1. The association shall issue to each insurer paying an  
2 assessment under sections 375.771 to 375.779 a certificate of contribution, in  
3 appropriate form and terms as prescribed by the director, for the amount so paid.  
4 All outstanding certificates shall be of equal dignity and priority without  
5 reference to amounts or dates of issue.

6 2. A certificate of contribution may be shown by the insurer in its  
7 financial statements as an admitted asset for such amount and period of time, as  
8 follows:

9 (1) One hundred percent for the calendar year of issuance;

10 (2) Sixty-six and two-thirds percent for the first calendar year after the  
11 year of issuance;

12 (3) Thirty-three and one-third percent for the second year after the year  
13 of issuance which shall be the last year each such certificate shall be carried as  
14 an asset.

15 3. The insurer shall be entitled to a credit against the premium tax

16 liability under sections 148.310 to 148.461 for contributions paid to the  
17 association. This tax credit shall be taken over a period of the three successive  
18 tax years beginning after the year of contribution at the rate of thirty-three and  
19 one-third percent, per year, of the contribution paid to the association, and such  
20 credit shall not be subject to subsection 1 of section 375.916.

21 4. Any sums recovered by the association representing sums which have  
22 theretofore been written off by contributing insurers and offset against premium  
23 taxes as provided in subsection 3 of this section shall be paid by the association  
24 to the director of revenue who shall handle such funds in the same manner as  
25 provided in section 148.380.

26 5. The association shall be exempt from payment of all fees and all  
27 capitation or poll and excise taxes levied by this state or any of its political  
28 subdivisions and the real and personal property of the association is hereby  
29 declared to be property actually and regularly used exclusively for purposes  
30 purely charitable and not held for private or corporate profit within the meaning  
31 of subdivision (5) of section 137.100, RSMo 1986.

32 **6. Notwithstanding any provision of law to the contrary, no tax**  
33 **credits provided under this section shall be authorized on or after**  
34 **August 28, 2013. The provisions of this subsection shall not be**  
35 **construed to limit or in any way impair the department's ability to**  
36 **issue tax credits authorized prior to August 28, 2013, or a taxpayer's**  
37 **ability to redeem such tax credits.**

376.745. 1. A member insurer may offset against its premium tax liability  
2 to this state an assessment described in section 376.738 to the extent of twenty  
3 percent of the amount of such assessment for each of the five calendar years  
4 following the year in which such assessment was paid. In the event a member  
5 insurer should cease doing business, all uncredited assessments may be credited  
6 against its premium tax liability for the year it ceases doing business.

7 2. A member insurer exempt from chapter 148 may offset against its sales  
8 or use tax liability to this state an assessment described in section 376.738 to the  
9 extent of twenty percent of the amount of such assessment for each of the five  
10 calendar years following the year in which such assessment was paid. In the  
11 event a member insurer should cease doing business, all uncredited assessments  
12 may be credited against its sales or use tax liability for the year it ceases doing  
13 business.

14 3. Any sums which are acquired by refund, pursuant to the provisions of

15 section 376.738, from the association by member insurers, and which have  
16 theretofore been offset against premium taxes as provided in subsection 1 of this  
17 section or have theretofore been offset against sales or use taxes as provided in  
18 subsection 2 of this section, shall be paid by such insurers to this state in such  
19 manner as the tax authorities may require. The association shall notify the  
20 director that such refunds have been made.

21 **4. Notwithstanding any provision of law to the contrary, no tax**  
22 **credits provided under this section shall be authorized on or after**  
23 **August 28, 2013. The provisions of this subsection shall not be**  
24 **construed to limit or in any way impair the department's ability to**  
25 **issue tax credits authorized prior to August 28, 2013, or a taxpayer's**  
26 **ability to redeem such tax credits.**

376.975. 1. Each member's proportion of participation in the pool shall  
2 be determined annually by the board based on annual statements and other  
3 reports deemed necessary by the board and filed by the member with it. Any  
4 deficit incurred by the pool shall be recouped by assessments apportioned as  
5 provided in subsections 1, 2, and 3 of section 376.973 by the board among  
6 members. The amount of assessments incurred by each member of the pool shall  
7 be allowed as an offset against certain taxes, and shall be subject to certain  
8 limitations, as follows: Each pool member subject to chapter 148 may deduct  
9 from premium taxes payable for any calendar year to the state any and all  
10 assessments paid for the same year pursuant to sections 376.960 to 376.989. All  
11 assessments, for a fiscal year, shall not exceed the net premium tax due and  
12 payable by such member in the previous year. If the assessment exceeds any  
13 premium tax due or payable in such year, the excess shall be a credit or offset  
14 carried forward against any premium tax due or payable in succeeding years until  
15 the excess is exhausted.

16 **2. Notwithstanding any provision of law to the contrary, no tax**  
17 **credits provided under this section shall be authorized on or after**  
18 **August 28, 2013. The provisions of this subsection shall not be**  
19 **construed to limit or in any way impair the department's ability to**  
20 **issue tax credits authorized prior to August 28, 2013, or a taxpayer's**  
21 **ability to redeem such tax credits.**

447.708. 1. For eligible projects, the director of the department of  
2 economic development, with notice to the directors of the departments of natural  
3 resources and revenue, and subject to the other provisions of sections 447.700 to

4 447.718, may not create a new enterprise zone but may decide that a prospective  
5 operator of a facility being remedied and renovated pursuant to sections 447.700  
6 to 447.718 may receive the tax credits and exemptions pursuant to sections  
7 135.100 to 135.150 and sections 135.200 to 135.257. The tax credits allowed  
8 pursuant to this subsection shall be used to offset the tax imposed by chapter  
9 143, excluding withholding tax imposed by sections 143.191 to 143.265, or the tax  
10 otherwise imposed by chapter 147, or the tax otherwise imposed by chapter  
11 148. **Notwithstanding any provisions of law to the contrary, the**  
12 **department shall not authorize tax credits and exemptions pursuant to**  
13 **this subsection after June 30, 2011.** For purposes of this subsection:

14 (1) For receipt of the ad valorem tax abatement pursuant to section  
15 135.215, the eligible project must create at least ten new jobs or retain businesses  
16 which supply at least twenty-five existing jobs. The city, or county if the eligible  
17 project is not located in a city, must provide ad valorem tax abatement of at least  
18 fifty percent for a period not less than ten years and not more than twenty-five  
19 years;

20 (2) For receipt of the income tax exemption pursuant to section 135.220  
21 and tax credit for new or expanded business facilities pursuant to sections  
22 135.100 to 135.150, and 135.225, the eligible project must create at least ten new  
23 jobs or retain businesses which supply at least twenty-five existing jobs, or  
24 combination thereof. For purposes of sections 447.700 to 447.718, the tax credits  
25 described in section 135.225 are modified as follows: the tax credit shall be four  
26 hundred dollars per employee per year, an additional four hundred dollars per  
27 year for each employee exceeding the minimum employment thresholds of ten and  
28 twenty-five jobs for new and existing businesses, respectively, an additional four  
29 hundred dollars per year for each person who is a person difficult to employ as  
30 defined by section 135.240, and investment tax credits at the same amounts and  
31 levels as provided in subdivision (4) of subsection 1 of section 135.225;

32 (3) For eligibility to receive the income tax refund pursuant to section  
33 135.245, the eligible project must create at least ten new jobs or retain businesses  
34 which supply at least twenty-five existing jobs, or combination thereof, and  
35 otherwise comply with the provisions of section 135.245 for application and use  
36 of the refund and the eligibility requirements of this section;

37 (4) The eligible project operates in compliance with applicable  
38 environmental laws and regulations, including permitting and registration  
39 requirements, of this state as well as the federal and local requirements;

40           (5) The eligible project operator shall file such reports as may be required  
41 by the director of economic development or the director's designee;

42           (6) The taxpayer may claim the state tax credits authorized by this  
43 subsection and the state income exemption for a period not in excess of ten  
44 consecutive tax years. For the purpose of this section, "taxpayer" means an  
45 individual proprietorship, partnership or corporation described in section 143.441  
46 or 143.471 who operates an eligible project. The director shall determine the  
47 number of years the taxpayer may claim the state tax credits and the state  
48 income exemption based on the projected net state economic benefits attributed  
49 to the eligible project;

50           (7) For the purpose of meeting the new job requirement prescribed in  
51 subdivisions (1), (2) and (3) of this subsection, it shall be required that at least  
52 ten new jobs be created and maintained during the taxpayer's tax period for  
53 which the credits are earned, in the case of an eligible project that does not  
54 replace a similar facility in Missouri. "New job" means a person who was not  
55 previously employed by the taxpayer or related taxpayer within the twelve-month  
56 period immediately preceding the time the person was employed by that taxpayer  
57 to work at, or in connection with, the eligible project on a full-time basis. "Full-  
58 time basis" means the employee works an average of at least thirty-five hours per  
59 week during the taxpayer's tax period for which the tax credits are earned. For  
60 the purposes of this section, related taxpayer has the same meaning as defined  
61 in subdivision (9) of section 135.100;

62           (8) For the purpose of meeting the existing job retention requirement, if  
63 the eligible project replaces a similar facility that closed elsewhere in Missouri  
64 prior to the end of the taxpayer's tax period in which the tax credits are earned,  
65 it shall be required that at least twenty-five existing jobs be retained at, and in  
66 connection with the eligible project, on a full-time basis during the taxpayer's tax  
67 period for which the credits are earned. "Retained job" means a person who was  
68 previously employed by the taxpayer or related taxpayer, at a facility similar to  
69 the eligible project that closed elsewhere in Missouri prior to the end of the  
70 taxpayer's tax period in which the tax credits are earned, within the tax period  
71 immediately preceding the time the person was employed by the taxpayer to work  
72 at, or in connection with, the eligible project on a full-time basis. "Full-time  
73 basis" means the employee works an average of at least thirty-five hours per week  
74 during the taxpayer's tax period for which the tax credits are earned;

75           (9) In the case where an eligible project replaces a similar facility that

76 closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which  
77 the tax credits are earned, the owner and operator of the eligible project shall  
78 provide the director with a written statement explaining the reason for  
79 discontinuing operations at the closed facility. The statement shall include a  
80 comparison of the activities performed at the closed facility prior to the date the  
81 facility ceased operating, to the activities performed at the eligible project, and  
82 a detailed account describing the need and rationale for relocating to the eligible  
83 project. If the director finds the relocation to the eligible project significantly  
84 impaired the economic stability of the area in which the closed facility was  
85 located, and that such move was detrimental to the overall economic development  
86 efforts of the state, the director may deny the taxpayer's request to claim tax  
87 benefits;

88 (10) Notwithstanding any provision of law to the contrary, for the purpose  
89 of this section, the number of new jobs created and maintained, the number of  
90 existing jobs retained, and the value of new qualified investment used at the  
91 eligible project during any tax year shall be determined by dividing by twelve, in  
92 the case of jobs, the sum of the number of individuals employed at the eligible  
93 project, or in the case of new qualified investment, the value of new qualified  
94 investment used at the eligible project, on the last business day of each full  
95 calendar month of the tax year. If the eligible project is in operation for less than  
96 the entire tax year, the number of new jobs created and maintained, the number  
97 of existing jobs retained, and the value of new qualified investment created at the  
98 eligible project during any tax year shall be determined by dividing the sum of  
99 the number of individuals employed at the eligible project, or in the case of new  
100 qualified investment, the value of new qualified investment used at the eligible  
101 project, on the last business day of each full calendar month during the portion  
102 of the tax year during which the eligible project was in operation, by the number  
103 of full calendar months during such period;

104 (11) For the purpose of this section, "new qualified investment" means  
105 new business facility investment as defined and as determined in subdivision (7)  
106 of section 135.100 which is used at and in connection with the eligible  
107 project. "New qualified investment" shall not include small tools, supplies and  
108 inventory. "Small tools" means tools that are portable and can be hand held.

109 2. The determination of the director of economic development pursuant  
110 to subsection 1 of this section shall not affect requirements for the prospective  
111 purchaser to obtain the approval of the granting of real property tax abatement

112 by the municipal or county government where the eligible project is located.

113           3. (1) The director of the department of economic development, with the  
114 approval of the director of the department of natural resources, may, [in addition  
115 to the tax credits allowed in subsection 1 of this section,] grant a remediation tax  
116 credit to the applicant for up to one hundred percent of the costs of materials,  
117 supplies, equipment, labor, [professional engineering, consulting and  
118 architectural fees,] permitting fees and expenses, demolition, asbestos abatement,  
119 and direct utility charges for performing the voluntary remediation activities for  
120 the preexisting hazardous substance contamination and releases, including, but  
121 not limited to, the costs of performing operation and maintenance of the  
122 remediation equipment at the property beyond the year in which the systems and  
123 equipment are built and installed at the eligible project and the costs of  
124 performing the voluntary remediation activities over a period not in excess of four  
125 tax years following the taxpayer's tax year in which the system and equipment  
126 were first put into use at the eligible project, provided the remediation activities  
127 are the subject of a plan submitted to, and approved by, the director of natural  
128 resources pursuant to sections 260.565 to 260.575. **The director of the**  
129 **department of economic development, with the approval of the director**  
130 **of the department of natural resources, may also grant a remediation**  
131 **tax credit to the applicant for up to twenty percent of the costs of**  
132 **professional engineering, consulting, and architectural fees.** The tax  
133 credit may also include up to one hundred percent of the costs of demolition that  
134 are not directly part of the remediation activities, provided that the demolition  
135 is on the property where the voluntary remediation activities are occurring, the  
136 demolition is necessary to accomplish the planned use of the facility where the  
137 remediation activities are occurring, and the demolition is part of a  
138 redevelopment plan approved by the municipal or county government and the  
139 department of economic development. The demolition may occur on an adjacent  
140 property if the project is located in a municipality which has a population less  
141 than twenty thousand and the above conditions are otherwise met. The adjacent  
142 property shall independently qualify as abandoned or underutilized. The amount  
143 of the credit available for demolition not associated with remediation cannot  
144 exceed the total amount of credits approved for remediation including demolition  
145 required for remediation.

146           (2) The amount of remediation tax credits issued shall be limited to the  
147 least amount necessary to cause the project to occur, as determined by the



148 director of the department of economic development.

149       (3) The director may, with the approval of the director of natural  
150 resources, extend the tax credits allowed for performing voluntary remediation  
151 maintenance activities, in increments of three-year periods, not to exceed five  
152 consecutive three-year periods. The tax credits allowed in this subsection shall  
153 be used to offset the tax imposed by chapter 143, excluding withholding tax  
154 imposed by sections 143.191 to 143.265, or the tax otherwise imposed by chapter  
155 147, or the tax otherwise imposed by chapter 148.

156 The remediation tax credit may be taken in the same tax year in which the tax  
157 credits are received or may be taken over a period not to exceed twenty years.

158       (4) The project facility shall be projected to create at least ten new jobs  
159 or at least twenty-five retained jobs, or a combination thereof, as determined by  
160 the department of economic development, to be eligible for tax credits pursuant  
161 to this section.

162       (5) No more than seventy-five percent of earned remediation tax credits  
163 may be issued when the remediation costs were paid, and the remaining  
164 percentage may be issued when the department of natural resources issues a  
165 letter of completion letter or covenant not to sue following completion of the  
166 voluntary remediation activities. It shall not include any costs associated with  
167 ongoing operational environmental compliance of the facility or remediation costs  
168 arising out of spills, leaks, or other releases arising out of the ongoing business  
169 operations of the facility. In the event the department of natural resources issues  
170 a letter of completion for a portion of a property, an impacted media such as soil  
171 or groundwater, or for a site or a portion of a site improvement, a prorated  
172 amount of the remaining percentage may be released based on the percentage of  
173 the total site receiving a letter of completion.

174       4. In the exercise of the sound discretion of the director of the department  
175 of economic development or the director's designee, the tax credits and  
176 exemptions described in this section may be terminated, suspended or revoked,  
177 if the eligible project fails to continue to meet the conditions set forth in this  
178 section, **including creating or retaining the jobs required under**  
179 **subsection 3 of this section.** In making such a determination, the director  
180 shall consider the severity of the condition violation, actions taken to correct the  
181 violation, the frequency of any condition violations and whether the actions  
182 exhibit a pattern of conduct by the eligible facility owner and operator. The  
183 director shall also consider changes in general economic conditions and the

184 recommendation of the director of the department of natural resources, or his or  
185 her designee, concerning the severity, scope, nature, frequency and extent of any  
186 violations of the environmental compliance conditions. The taxpayer or person  
187 claiming the tax credits or exemptions may appeal the decision regarding  
188 termination, suspension or revocation of any tax credit or exemption in  
189 accordance with the procedures outlined in subsections 4 to 6 of section  
190 135.250. The director of the department of economic development shall notify the  
191 directors of the departments of natural resources and revenue of the termination,  
192 suspension or revocation of any tax credits as determined in this section or  
193 pursuant to the provisions of section 447.716.

194           5. Notwithstanding any provision of law to the contrary, no taxpayer shall  
195 earn the tax credits, exemptions or refund otherwise allowed in subdivisions (2),  
196 (3) and (4) of subsection 1 of this section and the tax credits otherwise allowed in  
197 section 135.110, or the tax credits, exemptions and refund otherwise allowed in  
198 sections 135.215, 135.220, 135.225 and 135.245, respectively, for the same facility  
199 for the same tax period.

200           6. The total amount of the tax credits allowed in subsection 1 of this  
201 section may not exceed the greater of:

202           (1) That portion of the taxpayer's income attributed to the eligible project;  
203 or

204           (2) One hundred percent of the total business' income tax if the eligible  
205 facility does not replace a similar facility that closed elsewhere in Missouri prior  
206 to the end of the taxpayer's tax period in which the tax credits are earned, and  
207 further provided the taxpayer does not operate any other facilities besides the  
208 eligible project in Missouri; fifty percent of the total business' income tax if the  
209 eligible facility replaces a similar facility that closed elsewhere in Missouri prior  
210 to the end of the taxpayer's tax period in which the credits are earned, and  
211 further provided the taxpayer does not operate any other facilities besides the  
212 eligible project in Missouri; or twenty-five percent of the total business income if  
213 the taxpayer operates, in addition to the eligible facility, any other facilities in  
214 Missouri. In no case shall a taxpayer operating more than one eligible project in  
215 Missouri be allowed to offset more than twenty-five percent of the taxpayer's  
216 business income in any tax period. That portion of the taxpayer's income  
217 attributed to the eligible project as referenced in subdivision (1) of this  
218 subsection, for which the credits allowed in sections 135.110 and 135.225 and  
219 subsection 3 of this section, may apply, shall be determined in the same manner

220 as prescribed in subdivision (6) of section 135.100. That portion of the taxpayer's  
221 franchise tax attributed to the eligible project for which the remediation tax  
222 credit may offset, shall be determined in the same manner as prescribed in  
223 paragraph (a) of subdivision (6) of section 135.100.

224 7. Taxpayers claiming the state tax benefits allowed in subdivisions (2)  
225 and (3) of subsection 1 of this section shall be required to file all applicable tax  
226 credit applications, forms and schedules prescribed by the director during the  
227 taxpayer's tax period immediately after the tax period in which the eligible  
228 project was first put into use. Otherwise, the taxpayer's right to claim such state  
229 tax benefits shall be forfeited. Unused business facility and enterprise zone tax  
230 credits shall not be carried forward but shall be initially claimed for the tax  
231 period during which the eligible project was first capable of being used, and  
232 during any applicable subsequent tax periods.

233 8. Taxpayers claiming the remediation tax credit allowed in subsection 3  
234 of this section shall be required to file all applicable tax credit applications, forms  
235 and schedules prescribed by the director during the taxpayer's tax period  
236 immediately after the tax period in which the eligible project was first put into  
237 use, or during the taxpayer's tax period immediately after the tax period in which  
238 the voluntary remediation activities were performed.

239 9. The recipient of remediation tax credits, for the purpose of this  
240 subsection referred to as assignor, may assign, sell or transfer, in whole or in  
241 part, the remediation tax credit allowed in subsection 3 of this section to any  
242 other person, for the purpose of this subsection referred to as assignee. To perfect  
243 the transfer, the assignor shall provide written notice to the director of the  
244 assignor's intent to transfer the tax credits to the assignee, the date the transfer  
245 is effective, the assignee's name, address and the assignee's tax period and the  
246 amount of tax credits to be transferred. The number of tax periods during which  
247 the assignee may subsequently claim the tax credits shall not exceed twenty tax  
248 periods, less the number of tax periods the assignor previously claimed the credits  
249 before the transfer occurred.

250 10. In the case where an operator and assignor of an eligible project has  
251 been certified to claim state tax benefits allowed in subdivisions (2) and (3) of  
252 subsection 1 of this section, and sells or otherwise transfers title of the eligible  
253 project to another taxpayer or assignee who continues the same or substantially  
254 similar operations at the eligible project, the director shall allow the assignee to  
255 claim the credits for a period of time to be determined by the director; except

256 that, the total number of tax periods the tax credits may be earned by the  
257 assignor and the assignee shall not exceed ten. To perfect the transfer, the  
258 assignor shall provide written notice to the director of the assignor's intent to  
259 transfer the tax credits to the assignee, the date the transfer is effective, the  
260 assignee's name, address, and the assignee's tax period, and the amount of tax  
261 credits to be transferred.

262 11. For the purpose of the state tax benefits described in this section, in  
263 the case of a corporation described in section 143.471 or partnership, in  
264 computing Missouri's tax liability, such state benefits shall be allowed to the  
265 following:

266 (1) The shareholders of the corporation described in section 143.471;

267 (2) The partners of the partnership. The credit provided in this  
268 subsection shall be apportioned to the entities described in subdivisions (1) and  
269 (2) of this subsection in proportion to their share of ownership on the last day of  
270 the taxpayer's tax period.

271 **12. Notwithstanding any provision of law to the contrary, no tax**  
272 **credits provided under sections 447.700 to 447.718 shall be authorized**  
273 **on or after August 28, 2015. The provisions of this subsection shall not**  
274 **be construed to limit or in any way impair the department's ability to**  
275 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**  
276 **ability to redeem such tax credits.**

620.1881. 1. The department of economic development shall respond  
2 within thirty days to a company who provides a notice of intent with either an  
3 approval or a rejection of the notice of intent. The department shall give  
4 preference to qualified companies and projects targeted at an area of the state  
5 which has recently been classified as a disaster area by the federal  
6 government. Failure to respond on behalf of the department of economic  
7 development shall result in the notice of intent being deemed an approval for the  
8 purposes of this section. A qualified company who is provided an approval for a  
9 project shall be allowed a benefit as provided in this program in the amount and  
10 duration provided in this section. A qualified company may receive additional  
11 periods for subsequent new jobs at the same facility after the full initial period  
12 if the minimum thresholds are met as set forth in sections 620.1875 to  
13 620.1890. There is no limit on the number of periods a qualified company may  
14 participate in the program, as long as the minimum thresholds are achieved and  
15 the qualified company provides the department with the required reporting and

16 is in proper compliance for this program or other state programs. A qualified  
17 company may elect to file a notice of intent to start a new project period  
18 concurrent with an existing project period if the minimum thresholds are  
19 achieved and the qualified company provides the department with the required  
20 reporting and is in proper compliance for this program and other state programs;  
21 however, the qualified company may not receive any further benefit under the  
22 original approval for jobs created after the date of the new notice of intent, and  
23 any jobs created before the new notice of intent may not be included as new jobs  
24 for the purpose of benefit calculation in relation to the new approval. When a  
25 qualified company has filed and received approval of a notice of intent and  
26 subsequently files another notice of intent, the department shall apply the  
27 definition of project facility under subdivision (19) of section 620.1878 to the new  
28 notice of intent as well as all previously approved notices of intent and shall  
29 determine the application of the definitions of new job, new payroll, project  
30 facility base employment, and project facility base payroll accordingly.

31         2. Notwithstanding any provision of law to the contrary, any qualified  
32 company that is awarded benefits under this program may not simultaneously  
33 receive tax credits or exemptions under sections 135.100 to 135.150, sections  
34 135.200 to 135.286, section 135.535, or sections 135.900 to 135.906 at the same  
35 project facility. The benefits available to the company under any other state  
36 programs for which the company is eligible and which utilize withholding tax  
37 from the new jobs of the company must first be credited to the other state  
38 program before the withholding retention level applicable under the Missouri  
39 quality jobs act will begin to accrue. These other state programs include, but are  
40 not limited to, the new jobs training program under sections 178.892 to 178.896,  
41 the job retention program under sections 178.760 to 178.764, the real property tax  
42 increment allocation redevelopment act, sections 99.800 to 99.865, or the Missouri  
43 downtown and rural economic stimulus act under sections 99.915 to 99.980. If  
44 any qualified company also participates in the new jobs training program in  
45 sections 178.892 to 178.896, the company shall retain no withholding tax, but the  
46 department shall issue a refundable tax credit for the full amount of benefit  
47 allowed under this subdivision. The calendar year annual maximum amount of  
48 tax credits which may be issued to a qualifying company that also participates in  
49 the new job training program shall be increased by an amount equivalent to the  
50 withholding tax retained by that company under the new jobs training program.  
51 However, if the combined benefits of the quality jobs program and the new jobs

52 training program exceed the projected state benefit of the project, as determined  
53 by the department of economic development through a cost-benefit analysis, the  
54 increase in the maximum tax credits shall be limited to the amount that would  
55 not cause the combined benefits to exceed the projected state benefit. Any  
56 taxpayer who is awarded benefits under this program who knowingly hires  
57 individuals who are not allowed to work legally in the United States shall  
58 immediately forfeit such benefits and shall repay the state an amount equal to  
59 any state tax credits already redeemed and any withholding taxes already  
60 retained.

61 3. The types of projects and the amount of benefits to be provided are:

62 (1) Small and expanding business projects: in exchange for the  
63 consideration provided by the new tax revenues and other economic stimuli that  
64 will be generated by the new jobs created by the program, a qualified company  
65 may retain an amount equal to the withholding tax as calculated under  
66 subdivision (33) of section 620.1878 from the new jobs that would otherwise be  
67 withheld and remitted by the qualified company under the provisions of sections  
68 143.191 to 143.265 for a period of three years from the date the required number  
69 of new jobs were created if the average wage of the new payroll equals or exceeds  
70 the county average wage or for a period of five years from the date the required  
71 number of new jobs were created if the average wage of the new payroll equals  
72 or exceeds one hundred twenty percent of the county average wage;

73 (2) Technology business projects: in exchange for the consideration  
74 provided by the new tax revenues and other economic stimuli that will be  
75 generated by the new jobs created by the program, a qualified company may  
76 retain an amount equal to a maximum of five percent of new payroll for a period  
77 of five years from the date the required number of jobs were created from the  
78 withholding tax of the new jobs that would otherwise be withheld and remitted  
79 by the qualified company under the provisions of sections 143.191 to 143.265 if  
80 the average wage of the new payroll equals or exceeds the county average wage.  
81 An additional one-half percent of new payroll may be added to the five percent  
82 maximum if the average wage of the new payroll in any year exceeds one hundred  
83 twenty percent of the county average wage in the county in which the project  
84 facility is located, plus an additional one-half percent of new payroll may be  
85 added if the average wage of the new payroll in any year exceeds one hundred  
86 forty percent of the average wage in the county in which the project facility is  
87 located. The department shall issue a refundable tax credit for any difference

88 between the amount of benefit allowed under this subdivision and the amount of  
89 withholding tax retained by the company, in the event the withholding tax is not  
90 sufficient to provide the entire amount of benefit due to the qualified company  
91 under this subdivision;

92 (3) High impact projects: in exchange for the consideration provided by  
93 the new tax revenues and other economic stimuli that will be generated by the  
94 new jobs created by the program, a qualified company may retain an amount from  
95 the withholding tax of the new jobs that would otherwise be withheld and  
96 remitted by the qualified company under the provisions of sections 143.191 to  
97 143.265, equal to three percent of new payroll for a period of five years from the  
98 date the required number of jobs were created if the average wage of the new  
99 payroll equals or exceeds the county average wage of the county in which the  
100 project facility is located. For high-impact projects in a facility located within two  
101 adjacent counties, the new payroll shall equal or exceed the higher county  
102 average wage of the adjacent counties. The percentage of payroll allowed under  
103 this subdivision shall be three and one-half percent of new payroll if the average  
104 wage of the new payroll in any year exceeds one hundred twenty percent of the  
105 county average wage in the county in which the project facility is located. The  
106 percentage of payroll allowed under this subdivision shall be four percent of new  
107 payroll if the average wage of the new payroll in any year exceeds one hundred  
108 forty percent of the county average wage in the county in which the project  
109 facility is located. An additional one percent of new payroll may be added to  
110 these percentages if local incentives equal between ten percent and twenty-four  
111 percent of the new direct local revenue; an additional two percent of new payroll  
112 is added to these percentages if the local incentives equal between twenty-five  
113 percent and forty-nine percent of the new direct local revenue; or an additional  
114 three percent of payroll is added to these percentages if the local incentives equal  
115 fifty percent or more of the new direct local revenue. The department shall issue  
116 a refundable tax credit for any difference between the amount of benefit allowed  
117 under this subdivision and the amount of withholding tax retained by the  
118 company, in the event the withholding tax is not sufficient to provide the entire  
119 amount of benefit due to the qualified company under this subdivision;

120 (4) Job retention projects: a qualified company may receive a tax credit  
121 for the retention of jobs in this state, provided the qualified company and the  
122 project meets all of the following conditions:

123 (a) For each of the twenty-four months preceding the year in which

124 application for the program is made the qualified company must have maintained  
125 at least one thousand full-time employees at the employer's site in the state at  
126 which the jobs are based, and the average wage of such employees must meet or  
127 exceed the county average wage;

128 (b) The qualified company retained at the project facility the level of  
129 full-time employees that existed in the taxable year immediately preceding the  
130 year in which application for the program is made;

131 (c) The qualified company is considered to have a significant statewide  
132 effect on the economy, and has been determined to represent a substantial risk  
133 of relocation from the state by the quality jobs advisory task force established in  
134 section 620.1887; provided, however, until such time as the initial at-large  
135 members of the quality jobs advisory task force are appointed, this determination  
136 shall be made by the director of the department of economic development;

137 (d) The qualified company in the project facility will cause to be invested  
138 a minimum of seventy million dollars in new investment prior to the end of two  
139 years or will cause to be invested a minimum of thirty million dollars in new  
140 investment prior to the end of two years and maintain an annual payroll of at  
141 least seventy million dollars during each of the years for which a credit is  
142 claimed; and

143 (e) The local taxing entities shall provide local incentives of at least fifty  
144 percent of the new direct local revenues created by the project over a ten-year  
145 period. The quality jobs advisory task force may recommend to the department  
146 of economic development that appropriate penalties be applied to the company for  
147 violating the agreement. The amount of the job retention credit granted may be  
148 equal to up to fifty percent of the amount of withholding tax generated by the  
149 full-time jobs at the project facility for a period of five years. The calendar year  
150 annual maximum amount of tax credit that may be issued to any qualified  
151 company for a job retention project or combination of job retention projects shall  
152 be seven hundred fifty thousand dollars per year, but the maximum amount may  
153 be increased up to one million dollars if such action is proposed by the  
154 department and approved by the quality jobs advisory task force established in  
155 section 620.1887; provided, however, until such time as the initial at-large  
156 members of the quality jobs advisory task force are appointed, this determination  
157 shall be made by the director of the department of economic development. In  
158 considering such a request, the task force shall rely on economic modeling and  
159 other information supplied by the department when requesting the increased



160 limit on behalf of the job retention project. In no event shall the total amount of  
161 all tax credits issued for the entire job retention program under this subdivision  
162 exceed three million dollars annually. Notwithstanding the above, no tax credits  
163 shall be issued for job retention projects approved by the department after August  
164 30, 2013;

165 (5) Small business job retention and flood survivor relief: a qualified  
166 company may receive a tax credit under sections 620.1875 to 620.1890 for the  
167 retention of jobs and flood survivor relief in this state for each job retained over  
168 a three-year period, provided that:

169 (a) The qualified company did not receive any state or federal benefits,  
170 incentives, or tax relief or abatement in locating its facility in a flood plain;

171 (b) The qualified company and related companies have fewer than one  
172 hundred employees at the time application for the program is made;

173 (c) The average wage of the qualified company's and related companies'  
174 employees must meet or exceed the county average wage;

175 (d) All of the qualified company's and related companies' facilities are  
176 located in this state;

177 (e) The facilities at the primary business site in this state have been  
178 directly damaged by floodwater rising above the level of a five hundred year flood  
179 at least two years, but fewer than eight years, prior to the time application is  
180 made;

181 (f) The qualified company made significant efforts to protect the facilities  
182 prior to any impending danger from rising floodwaters;

183 (g) For each year it receives tax credits under sections 620.1875 to  
184 620.1890, the qualified company and related companies retained, at the  
185 company's facilities in this state, at least the level of full-time, year-round  
186 employees that existed in the taxable year immediately preceding the year in  
187 which application for the program is made; and

188 (h) In the years it receives tax credits under sections 620.1875 to  
189 620.1890, the company cumulatively invests at least two million dollars in capital  
190 improvements in facilities and equipment located at such facilities that are not  
191 located within a five hundred year flood plain as designated by the Federal  
192 Emergency Management Agency, and amended from time to time. The amount  
193 of the small business job retention and flood survivor relief credit granted may  
194 be equal to up to one hundred percent of the amount of withholding tax generated  
195 by the full-time jobs at the project facility for a period of three years. The

196 calendar year annual maximum amount of tax credit that may be issued to any  
197 qualified company for a small business job retention and survivor relief project  
198 shall be two hundred fifty thousand dollars per year, but the maximum amount  
199 may be increased up to five hundred thousand dollars if such action is proposed  
200 by the department and approved by the quality jobs advisory task force  
201 established in section 620.1887. In considering such a request, the task force  
202 shall rely on economic modeling and other information supplied by the  
203 department when requesting an increase in the limit on behalf of the small  
204 business job retention and flood survivor relief project. In no event shall the total  
205 amount of all tax credits issued for the entire small business job retention and  
206 flood survivor relief program under this subdivision exceed five hundred thousand  
207 dollars annually. Notwithstanding the provisions of this subdivision to the  
208 contrary, no tax credits shall be issued for small business job retention and flood  
209 survivor relief projects approved by the department after August 30, 2010.

210           4. The qualified company shall provide an annual report of the number  
211 of jobs and such other information as may be required by the department to  
212 document the basis for the benefits of this program. The department may  
213 withhold the approval of any benefits until it is satisfied that proper  
214 documentation has been provided, and shall reduce the benefits to reflect any  
215 reduction in full-time employees or new payroll. Upon approval by the  
216 department, the qualified company may begin the retention of the withholding  
217 taxes when it reaches the minimum number of new jobs and the average wage  
218 exceeds the county average wage. Tax credits, if any, may be issued upon  
219 satisfaction by the department that the qualified company has exceeded the  
220 county average wage and the minimum number of new jobs. In such annual  
221 report, if the average wage is below the county average wage, the qualified  
222 company has not maintained the employee insurance as required, or if the  
223 number of new jobs is below the minimum, the qualified company shall not  
224 receive tax credits or retain the withholding tax for the balance of the benefit  
225 period. In the case of a qualified company that initially filed a notice of intent  
226 and received an approval from the department for high-impact benefits and the  
227 minimum number of new jobs in an annual report is below the minimum for  
228 high-impact projects, the company shall not receive tax credits for the balance of  
229 the benefit period but may continue to retain the withholding taxes if it otherwise  
230 meets the requirements of a small and expanding business under this program.

231           5. The maximum calendar year annual tax credits issued for the entire

232 program shall not exceed eighty million dollars. Notwithstanding any provision  
233 of law to the contrary, the maximum annual tax credits authorized under section  
234 135.535 are hereby reduced from ten million dollars to eight million dollars, with  
235 the balance of two million dollars transferred to this program. There shall be no  
236 limit on the amount of withholding taxes that may be retained by approved  
237 companies under this program.

238         6. The department shall allocate the annual tax credits based on the date  
239 of the approval, reserving such tax credits based on the department's best  
240 estimate of new jobs and new payroll of the project, and the other factors in the  
241 determination of benefits of this program. However, the annual issuance of tax  
242 credits is subject to the annual verification of the actual new payroll. The  
243 allocation of tax credits for the period assigned to a project shall expire if, within  
244 two years from the date of commencement of operations, or approval if applicable,  
245 the minimum thresholds have not been achieved. The qualified company may  
246 retain authorized amounts from the withholding tax under this section once the  
247 minimum new jobs thresholds are met for the duration of the project period. No  
248 benefits shall be provided under this program until the qualified company meets  
249 the minimum new jobs thresholds. In the event the qualified company does not  
250 meet the minimum new job threshold, the qualified company may submit a new  
251 notice of intent or the department may provide a new approval for a new project  
252 of the qualified company at the project facility or other facilities.

253         7. For a qualified company with flow-through tax treatment to its  
254 members, partners, or shareholders, the tax credit shall be allowed to members,  
255 partners, or shareholders in proportion to their share of ownership on the last  
256 day of the qualified company's tax period.

257         8. Tax credits may be claimed against taxes otherwise imposed by  
258 chapters 143 and 148, and may not be carried forward but shall be claimed within  
259 one year of the close of the taxable year for which they were issued, except as  
260 provided under subdivision (4) of subsection 3 of this section.

261         9. Tax credits authorized by this section may be transferred, sold, or  
262 assigned by filing a notarized endorsement thereof with the department that  
263 names the transferee, the amount of tax credit transferred, and the value received  
264 for the credit, as well as any other information reasonably requested by the  
265 department.

266         10. Prior to the issuance of tax credits, the department shall verify  
267 through the department of revenue, or any other state department, that the tax

268 credit applicant does not owe any delinquent income, sales, or use tax or interest  
269 or penalties on such taxes, or any delinquent fees or assessments levied by any  
270 state department and through the department of insurance, financial institutions  
271 and professional registration that the applicant does not owe any delinquent  
272 insurance taxes. Such delinquency shall not affect the authorization of the  
273 application for such tax credits, except that at issuance credits shall be first  
274 applied to the delinquency and any amount issued shall be reduced by the  
275 applicant's tax delinquency. If the department of revenue or the department of  
276 insurance, financial institutions and professional registration, or any other state  
277 department, concludes that a taxpayer is delinquent after June fifteenth but  
278 before July first of any year and the application of tax credits to such delinquency  
279 causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall  
280 be granted thirty days to satisfy the deficiency in which interest, penalties, and  
281 additions to tax shall be tolled. After applying all available credits toward a tax  
282 delinquency, the administering agency shall notify the appropriate department  
283 and that department shall update the amount of outstanding delinquent tax owed  
284 by the applicant. If any credits remain after satisfying all insurance, income,  
285 sales, and use tax delinquencies, the remaining credits shall be issued to the  
286 applicant, subject to the restrictions of other provisions of law.

287       11. Except as provided under subdivision (4) of subsection 3 of this  
288 section, the director of revenue shall issue a refund to the qualified company to  
289 the extent that the amount of credits allowed in this section exceeds the amount  
290 of the qualified company's income tax.

291       12. An employee of a qualified company will receive full credit for the  
292 amount of tax withheld as provided in section 143.211.

293       13. If any provision of sections 620.1875 to 620.1890 or application thereof  
294 to any person or circumstance is held invalid, the invalidity shall not affect other  
295 provisions or application of these sections which can be given effect without the  
296 invalid provisions or application, and to this end, the provisions of sections  
297 620.1875 to 620.1890 are hereby declared severable.

298       **14. Notwithstanding any provision of law to the contrary, no tax**  
299 **credits provided under sections 620.1875 to 620.1890 shall be authorized**  
300 **on or after August 28, 2015. The provisions of this subsection shall not**  
301 **be construed to limit or in any way impair the department's ability to**  
302 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**  
303 **ability to redeem such tax credits.**

660.055. 1. Any registered caregiver who meets the requirements of this section shall be eligible for a shared care tax credit in an amount not to exceed five hundred dollars to defray the cost of caring for an elderly person. In order to be eligible for a shared care tax credit, a registered caregiver shall:

(1) Care for an elderly person, age sixty or older, who:

(a) Is physically or mentally incapable of living alone, as determined and certified by his or her physician licensed pursuant to chapter 334, or by the division of aging staff when an assessment has been completed for the purpose of qualification for other services; and

(b) Requires assistance with activities of daily living to the extent that without care and oversight at home would require placement in a facility licensed pursuant to chapter 198; and

(c) Under no circumstances, is able or allowed to operate a motor vehicle; and

(d) Does not receive funding or services through Medicaid or social services block grant funding;

(2) Live in the same residence to give protective oversight for the elderly person meeting the requirements described in subdivision (1) of this subsection for an aggregate of more than six months per tax year;

(3) Not receive monetary compensation for providing care for the elderly person meeting the requirements described in subdivision (1) of this subsection; and

(4) File the original completed and signed physician certification for shared care tax credit form or the original completed and signed division of aging certification for shared care tax credit form provided for in subsection 2 of section 660.054 along with such caregiver's Missouri individual income tax return to the department of revenue.

2. The tax credit allowed by this section shall apply to any year beginning after December 31, 1999.

3. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in sections 660.050 to 660.057 shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. All rulemaking authority delegated prior to August 28, 1999, is of no force and effect and repealed. Nothing in this section shall be interpreted to repeal or affect the validity of any rule filed or adopted prior to August 28, 1999, if it fully complied

37 with all applicable provisions of law. This section and chapter 536 are  
38 nonseverable and if any of the powers vested with the general assembly pursuant  
39 to chapter 536 to review, to delay the effective date or to disapprove and annul  
40 a rule are subsequently held unconstitutional, then the grant of rulemaking  
41 authority and any rule proposed or adopted after August 28, 1999, shall be  
42 invalid and void.

43 4. Any person who knowingly falsifies any document required for the  
44 shared care tax credit shall be subject to the same penalties for falsifying other  
45 tax documents as provided in chapter 143.

46 **5. Notwithstanding any provision of law to the contrary, no tax**  
47 **credits provided under this section shall be authorized on or after**  
48 **August 28, 2017. The provisions of this subsection shall not be**  
49 **construed to limit or in any way impair the department's ability to**  
50 **issue tax credits authorized prior to August 28, 2017, or a taxpayer's**  
51 **ability to redeem such tax credits.**

2 [135.300. As used in sections 135.300 to 135.311, unless the  
context requires otherwise, the following terms mean:

3 (1) "Missouri forestry industry residue", any residue that  
4 results from normal timber harvest or production to include slash,  
5 sawdust, shavings, edgings, slabs, leaves, bark, and timber  
6 thinnings from timber stand improvements;

7 (2) "Processed wood products", wood pellets, cubes, flour, or  
8 any product that results from thermal, chemical, or mechanical  
9 processes that sufficiently alter the wood residue to be used as an  
10 energy source. Hogged wood and chipped wood do not qualify as  
11 processed wood energy resources under sections 135.300 to 135.311;

12 (3) "Wood energy producer", any person, firm or corporation  
13 who engages in the business of producing processed wood products,  
14 to be used as an energy source, from Missouri forest industry  
15 residues;

16 (4) "Wood energy producing facility", a Missouri facility  
17 using Missouri forest industry residue to produce processed wood  
18 products.]

2 [135.305. A Missouri wood energy producer shall be eligible  
for a tax credit on taxes otherwise due under chapter 143, except  
3 sections 143.191 to 143.261, as a production incentive to produce

4 processed wood products in a qualified wood-producing facility  
5 using Missouri forest product residue. The tax credit to the wood  
6 energy producer shall be five dollars per ton of processed  
7 material. The credit may be claimed for a period of five years and  
8 is to be a tax credit against the tax otherwise due. No new tax  
9 credits, provided for under sections 135.300 to 135.311, shall be  
10 authorized after June 30, 2013.]

[135.307. Any amount of credit which exceeds the tax due  
2 shall not be refunded but may be carried over to any subsequent  
3 taxable year, not to exceed four years.]

[135.309. The wood energy producer may elect to assign to  
2 a third party the approved tax credit. Certification of assignment  
3 and other appropriate forms must be filed with the Missouri  
4 department of revenue.]

[135.311. When applying for a tax credit the wood energy  
2 producer shall make application for the credit to the division of  
3 energy of the department of natural resources. The application  
4 shall include:

5 (1) The number of tons of processed wood products produced  
6 during the preceding calendar year;

7 (2) The name and address of the person to whom processed  
8 products were sold and the number of tons sold to each person;

9 (3) Other information which the department of natural  
10 resources reasonably requires. The application shall be received  
11 and reviewed by the division of energy of the department of natural  
12 resources and the division shall certify to the department of  
13 revenue each applicant which qualifies as a wood energy-producing  
14 facility.]

[135.313. 1. Any person, firm or corporation who engages  
2 in the business of producing charcoal or charcoal products in the  
3 state of Missouri shall be eligible for a tax credit on income taxes  
4 otherwise due pursuant to chapter 143, except sections 143.191 to  
5 143.261, as an incentive to implement safe and efficient  
6 environmental controls. The tax credit shall be equal to fifty  
7 percent of the purchase price of the best available control  
8 technology equipment connected with the production of charcoal in

9 the state of Missouri or, if the taxpayer manufactures such  
10 equipment, fifty percent of the manufacturing cost of the  
11 equipment, to and including the year the equipment is put into  
12 service. The credit may be claimed for a period of eight years  
13 beginning with the 1998 calendar year and is to be a tax credit  
14 against the tax otherwise due.

15 2. Any amount of credit which exceeds the tax due shall not  
16 be refunded but may be carried over to any subsequent taxable  
17 year, not to exceed seven years.

18 3. The charcoal producer may elect to assign to a third  
19 party the approved tax credit. Certification of assignment and  
20 other appropriate forms must be filed with the Missouri  
21 department of revenue and the department of economic  
22 development.

23 4. When applying for a tax credit, the charcoal producer  
24 specified in subsection 1 of this section shall make application for  
25 the credit to the division of environmental quality of the  
26 department of natural resources. The application shall identify the  
27 specific best available control technology equipment and the  
28 purchase price, or manufacturing cost of such equipment. The  
29 director of the department of natural resources is authorized to  
30 require permits to construct prior to the installation of best  
31 available control technology equipment and other information  
32 which he or she deems appropriate.

33 5. The director of the department of natural resources in  
34 conjunction with the department of economic development shall  
35 certify to the department of revenue that the best available control  
36 technology equipment meets the requirements to obtain a tax credit  
37 as specified in this section.]

2 [135.535. 1. A corporation, limited liability corporation,  
3 partnership or sole proprietorship, which moves its operations from  
4 outside Missouri or outside a distressed community into a  
5 distressed community, or which commences operations in a  
6 distressed community on or after January 1, 1999, and in either  
7 case has more than seventy-five percent of its employees at the  
facility in the distressed community, and which has fewer than one



hundred employees for whom payroll taxes are paid, and which is a manufacturing, biomedical, medical devices, scientific research, animal research, computer software design or development, computer programming, including Internet, web hosting, and other information technology, wireless or wired or other telecommunications or a professional firm shall receive a forty percent credit against income taxes owed pursuant to chapter 143, 147 or 148, other than taxes withheld pursuant to sections 143.191 to 143.265, for each of the three years after such move, if approved by the department of economic development, which shall issue a certificate of eligibility if the department determines that the taxpayer is eligible for such credit. The maximum amount of credits per taxpayer set forth in this subsection shall not exceed one hundred twenty-five thousand dollars for each of the three years for which the credit is claimed. The department of economic development, by means of rule or regulation promulgated pursuant to the provisions of chapter 536, shall assign appropriate North American Industry Classification System numbers to the companies which are eligible for the tax credits provided for in this section. Such three-year credits shall be awarded only one time to any company which moves its operations from outside of Missouri or outside of a distressed community into a distressed community or to a company which commences operations within a distressed community. A taxpayer shall file an application for certification of the tax credits for the first year in which credits are claimed and for each of the two succeeding taxable years for which credits are claimed.

2. Employees of such facilities physically working and earning wages for that work within a distressed community whose employers have been approved for tax credits pursuant to subsection 1 of this section by the department of economic development for whom payroll taxes are paid shall also be eligible to receive a tax credit against individual income tax, imposed pursuant to chapter 143, equal to one and one-half percent of their gross salary paid at such facility earned for each of the three years that the facility receives the tax credit provided by this section, so

44 long as they were qualified employees of such entity. The employer  
45 shall calculate the amount of such credit and shall report the  
46 amount to the employee and the department of revenue.

47 3. A tax credit against income taxes owed pursuant to  
48 chapter 143, 147 or 148, other than the taxes withheld pursuant to  
49 sections 143.191 to 143.265, in lieu of the credit against income  
50 taxes as provided in subsection 1 of this section, may be taken by  
51 such an entity in a distressed community in an amount of forty  
52 percent of the amount of funds expended for computer equipment  
53 and its maintenance, medical laboratories and equipment, research  
54 laboratory equipment, manufacturing equipment, fiber optic  
55 equipment, high speed telecommunications, wiring or software  
56 development expense up to a maximum of seventy-five thousand  
57 dollars in tax credits for such equipment or expense per year per  
58 entity and for each of three years after commencement in or moving  
59 operations into a distressed community.

60 4. A corporation, partnership or sole partnership, which has  
61 no more than one hundred employees for whom payroll taxes are  
62 paid, which is already located in a distressed community and which  
63 expends funds for such equipment pursuant to subsection 3 of this  
64 section in an amount exceeding its average of the prior two years  
65 for such equipment, shall be eligible to receive a tax credit against  
66 income taxes owed pursuant to chapters 143, 147 and 148 in an  
67 amount equal to the lesser of seventy-five thousand dollars or  
68 twenty-five percent of the funds expended for such additional  
69 equipment per such entity. Tax credits allowed pursuant to this  
70 subsection or subsection 1 of this section may be carried back to  
71 any of the three prior tax years and carried forward to any of the  
72 five tax years.

73 5. An existing corporation, partnership or sole  
74 proprietorship that is located within a distressed community and  
75 that relocates employees from another facility outside of the  
76 distressed community to its facility within the distressed  
77 community, and an existing business located within a distressed  
78 community that hires new employees for that facility may both be  
79 eligible for the tax credits allowed by subsections 1 and 3 of this

section. To be eligible for such tax credits, such a business, during one of its tax years, shall employ within a distressed community at least twice as many employees as were employed at the beginning of that tax year. A business hiring employees shall have no more than one hundred employees before the addition of the new employees. This subsection shall only apply to a business which is a manufacturing, biomedical, medical devices, scientific research, animal research, computer software design or development, computer programming or telecommunications business, or a professional firm.

6. Tax credits shall be approved for applicants meeting the requirements of this section in the order that such applications are received. Certificates of tax credits issued in accordance with this section may be transferred, sold or assigned by notarized endorsement which names the transferee.

7. The tax credits allowed pursuant to subsections 1, 2, 3, 4 and 5 of this section shall be for an amount of no more than ten million dollars for each year beginning in 1999. To the extent there are available tax credits remaining under the ten million dollar cap provided in this section, up to one hundred thousand dollars in the remaining credits shall first be used for tax credits authorized under section 135.562. The total maximum credit for all entities already located in distressed communities and claiming credits pursuant to subsection 4 of this section shall be seven hundred and fifty thousand dollars. The department of economic development in approving taxpayers for the credit as provided for in subsection 6 of this section shall use information provided by the department of revenue regarding taxes paid in the previous year, or projected taxes for those entities newly established in the state, as the method of determining when this maximum will be reached and shall maintain a record of the order of approval. Any tax credit not used in the period for which the credit was approved may be carried over until the full credit has been allowed.

8. A Missouri employer relocating into a distressed community and having employees covered by a collective bargaining agreement at the facility from which it is relocating

116 shall not be eligible for the credits in subsection 1, 3, 4 or 5 of this  
117 section, and its employees shall not be eligible for the credit in  
118 subsection 2 of this section if the relocation violates or terminates  
119 a collective bargaining agreement covering employees at the  
120 facility, unless the affected collective bargaining unit concurs with  
121 the move.

122 9. Notwithstanding any provision of law to the contrary, no  
123 taxpayer shall earn the tax credits allowed in this section and the  
124 tax credits otherwise allowed in section 135.110, or the tax credits,  
125 exemptions, and refund otherwise allowed in sections 135.200,  
126 135.220, 135.225 and 135.245, respectively, for the same business  
127 for the same tax period.]

[135.700. For all tax years beginning on or after January  
2 1, 1999, a grape grower or wine producer shall be allowed a tax  
3 credit against the state tax liability incurred pursuant to chapter  
4 143, exclusive of the provisions relating to the withholding of tax  
5 as provided in sections 143.191 to 143.265, in an amount equal to  
6 twenty-five percent of the purchase price of all new equipment and  
7 materials used directly in the growing of grapes or the production  
8 of wine in the state. Each grower or producer shall apply to the  
9 department of economic development and specify the total amount  
10 of such new equipment and materials purchased during the  
11 calendar year. The department of economic development shall  
12 certify to the department of revenue the amount of such tax credit  
13 to which a grape grower or wine producer is entitled pursuant to  
14 this section. The provisions of this section notwithstanding, a  
15 grower or producer may only apply for and receive the credit  
16 authorized by this section for five tax periods.]

[135.750. 1. As used in this section, the following terms  
2 mean:

3 (1) "Highly compensated individual", any individual who  
4 receives compensation in excess of one million dollars in connection  
5 with a single qualified film production project;

6 (2) "Qualified film production project", any film, video,  
7 commercial, or television production, as approved by the  
8 department of economic development and the office of the Missouri

9 film commission, that is under thirty minutes in length with an  
10 expected in-state expenditure budget in excess of fifty thousand  
11 dollars, or that is over thirty minutes in length with an expected  
12 in-state expenditure budget in excess of one hundred thousand  
13 dollars. Regardless of the production costs, "qualified film  
14 production project" shall not include any:

- 15 (a) News or current events programming;
- 16 (b) Talk show;
- 17 (c) Production produced primarily for industrial, corporate,  
18 or institutional purposes, and for internal use;
- 19 (d) Sports event or sports program;
- 20 (e) Gala presentation or awards show;
- 21 (f) Infomercial or any production that directly solicits funds;
- 22 (g) Political ad;
- 23 (h) Production that is considered obscene, as defined in  
24 section 573.010;

25 (3) "Qualifying expenses", the sum of the total amount  
26 spent in this state for the following by a production company in  
27 connection with a qualified film production project:

28 (a) Goods and services leased or purchased by the  
29 production company. For goods with a purchase price of  
30 twenty-five thousand dollars or more, the amount included in  
31 qualifying expenses shall be the purchase price less the fair market  
32 value of the goods at the time the production is completed;

33 (b) Compensation and wages paid by the production  
34 company on which the production company remitted withholding  
35 payments to the department of revenue under chapter 143. For  
36 purposes of this section, compensation and wages shall not include  
37 any amounts paid to a highly compensated individual;

38 (4) "Tax credit", a credit against the tax otherwise due  
39 under chapter 143, excluding withholding tax imposed by sections  
40 143.191 to 143.265, or otherwise due under chapter 148;

41 (5) "Taxpayer", any individual, partnership, or corporation  
42 as described in section 143.441, 143.471, or section 148.370 that is  
43 subject to the tax imposed in chapter 143, excluding withholding  
44 tax imposed by sections 143.191 to 143.265, or the tax imposed in

chapter 148 or any charitable organization which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143.

2. For all taxable years beginning on or after January 1, 1999, but ending on or before December 31, 2007, a taxpayer shall be granted a tax credit for up to fifty percent of the amount of investment in production or production-related activities in any film production project with an expected in-state expenditure budget in excess of three hundred thousand dollars. For all taxable years beginning on or after January 1, 2008, a taxpayer shall be allowed a tax credit for up to thirty-five percent of the amount of qualifying expenses in a qualified film production project. Each film production company shall be limited to one qualified film production project per year. Activities qualifying a taxpayer for the tax credit pursuant to this subsection shall be approved by the office of the Missouri film commission and the department of economic development.

3. Taxpayers shall apply for the film production tax credit by submitting an application to the department of economic development, on a form provided by the department. As part of the application, the expected in-state expenditures of the qualified film production project shall be documented. In addition, the application shall include an economic impact statement, showing the economic impact from the activities of the film production project. Such economic impact statement shall indicate the impact on the region of the state in which the film production or production-related activities are located and on the state as a whole.

4. For all taxable years ending on or before December 31, 2007, tax credits certified pursuant to subsection 2 of this section shall not exceed one million dollars per taxpayer per year, and shall not exceed a total for all tax credits certified of one million five hundred thousand dollars per year. For all taxable years beginning on or after January 1, 2008, tax credits certified under subsection 1 of this section shall not exceed a total for all tax credits certified of four million five hundred thousand dollars per

year. Taxpayers may carry forward unused credits for up to five tax periods, provided all such credits shall be claimed within ten tax periods following the tax period in which the film production or production-related activities for which the credits are certified by the department occurred.

5. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign, exchange, convey or otherwise transfer tax credits allowed in subsection 2 of this section. The taxpayer acquiring the tax credits may use the acquired credits to offset the tax liabilities otherwise imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or chapter 148. Unused acquired credits may be carried forward for up to five tax periods, provided all such credits shall be claimed within ten tax periods following the tax period in which the film production or production-related activities for which the credits are certified by the department occurred.

6. Under section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset six years after November 28, 2007, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset twelve years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.]

[143.119. 1. A self-employed taxpayer, as such term is used in the federal internal revenue code, who is otherwise ineligible for the federal income tax health insurance deduction under Section 162 of the federal internal revenue code shall be entitled to a credit against the tax otherwise due under this chapter, excluding withholding tax imposed by sections 143.191 to 143.265, in an amount equal to the portion of such taxpayer's federal tax liability incurred due to such taxpayer's inclusion of such payments in federal adjusted gross income. The tax credits authorized under this section shall be nontransferable. To the extent tax credit

11 issued under this section exceeds a taxpayer's state income tax  
12 liability, such excess shall be considered an overpayment of tax and  
13 shall be refunded to the taxpayer.

14 2. The director of the department of revenue shall  
15 promulgate rules and regulations to administer the provisions of  
16 this section. Any rule or portion of a rule, as that term is defined  
17 in section 536.010, that is created under the authority delegated in  
18 this section shall become effective only if it complies with and is  
19 subject to all of the provisions of chapter 536 and, if applicable,  
20 section 536.028. This section and chapter 536 are nonseverable  
21 and if any of the powers vested with the general assembly pursuant  
22 to chapter 536 to review, to delay the effective date, or to  
23 disapprove and annul a rule are subsequently held  
24 unconstitutional, then the grant of rulemaking authority and any  
25 rule proposed or adopted after August 28, 2007, shall be invalid  
26 and void.]

[620.495. 1. This section shall be known as the "Small  
2 Business Incubators Act".

3 2. As used in this section, unless the context clearly  
4 indicates otherwise, the following words and phrases shall mean:

5 (1) "Department", the department of economic development;

6 (2) "Incubator", a program in which small units of space  
7 may be leased by a tenant and in which management maintains or  
8 provides access to business development services for use by tenants  
9 or a program without infrastructure in which participants avail  
10 themselves of business development services to assist in the growth  
11 of their start-up small businesses;

12 (3) "Local sponsor" or "sponsor", an organization which  
13 enters into a written agreement with the department to establish,  
14 operate and administer a small business incubator program or to  
15 provide funding to an organization which operates such a program;

16 (4) "Participant", a sole proprietorship, business  
17 partnership or corporation operating a business for profit through  
18 which the owner avails himself or herself of business development  
19 services in an incubator program;

20 (5) "Tenant", a sole proprietorship, business partnership or



corporation operating a business for profit and leasing or otherwise occupying space in an incubator.

3. There is hereby established under the direction of the department a loan, loan guarantee and grant program for the establishment, operation and administration of small business incubators, to be known as the "Small Business Incubator Program". A local sponsor may submit an application to the department to obtain a loan, loan guarantee or grant to establish an incubator. Each application shall:

(1) Demonstrate that a program exists that can be transformed into an incubator at a specified cost;

(2) Demonstrate the ability to directly provide or arrange for the provision of business development services for tenants and participants of the incubator. These services shall include, but need not be limited to, financial consulting assistance, management and marketing assistance, business education, and physical services;

(3) Demonstrate a potential for sustained use of the incubator program by eligible tenants and participants, through a market study or other means;

(4) Demonstrate the ability to manage and operate the incubator program;

(5) Include such other information as the department may require through its guidelines.

4. The department shall review and accept applications based on the following criteria:

(1) Ability of the local sponsor to carry out the provisions of this section;

(2) Economic impact of the incubator on the community;

(3) Conformance with areawide and local economic development plans, if such exist;

(4) Location of the incubator, in order to encourage geographic distribution of incubators across the state.

5. Loans, loan guarantees and grants shall be administered in the following manner:

(1) Loans awarded or guaranteed and grants awarded shall

57 be used only for the acquisition and leasing of land and existing  
58 buildings, the rehabilitation of buildings or other facilities,  
59 construction of new facilities, the purchase of equipment and  
60 furnishings which are necessary for the creation and operation of  
61 the incubator, and business development services including, but not  
62 limited to, business management advising and business education;

63 (2) Loans, loan guarantees and grants may not exceed fifty  
64 percent of total eligible project costs;

65 (3) Payment of interest and principal on loans may be  
66 deferred at the discretion of the department.

67 6. A local sponsor, or the organization receiving assistance  
68 through the local sponsor, shall have the following responsibilities  
69 and duties in establishing and operating an incubator with  
70 assistance from the small business incubator program:

71 (1) Secure title on a facility for the program or a lease of a  
72 facility for the program;

73 (2) Manage the physical development of the incubator  
74 program, including the provision of common conference or meeting  
75 space;

76 (3) Furnish and equip the program to provide business  
77 services to the tenants and participants;

78 (4) Market the program and secure eligible tenants and  
79 participants;

80 (5) Provide financial consulting, marketing and  
81 management assistance services or arrange for the provision of  
82 these services for tenants and participants of the incubator,  
83 including assistance in accessing private financial markets;

84 (6) Set rental and service fees;

85 (7) Encourage the sharing of ideas between tenants and  
86 participants and otherwise aid the tenants and participants in an  
87 innovative manner while they are within the incubator;

88 (8) Establish policies and criteria for the acceptance of  
89 tenants and participants into the incubator and for the termination  
90 of occupancy of tenants so as to maximize the opportunity to  
91 succeed for the greatest number of tenants, consistent with those  
92 specified in this section.

93                   7. The department:

94                   (1) May adopt such rules, statements of policy, procedures,  
95 forms and guidelines as may be necessary for the implementation  
96 of this section;

97                   (2) May make loans, loan guarantees and grants to local  
98 sponsors for incubators;

99                   (3) Shall ensure that local sponsors receiving loans, loan  
100 guarantees or grants meet the conditions of this section;

101                   (4) Shall receive and evaluate annual reports from local  
102 sponsors. Such annual reports shall include, but need not be  
103 limited to, a financial statement for the incubator, evidence that all  
104 tenants and participants in the program are eligible under the  
105 terms of this section, and a list of companies in the incubator.

106                   8. The department of economic development is also hereby  
107 authorized to review any previous loans made under this program  
108 and, where appropriate in the department's judgment, convert such  
109 loans to grant status.

110                   9. On or before January first of each year, the department  
111 shall provide a report to the governor, the chief clerk of the house  
112 of representatives and the secretary of the senate which shall  
113 include, but need not be limited to:

114                   (1) The number of applications for incubators submitted to  
115 the department;

116                   (2) The number of applications for incubators approved by  
117 the department;

118                   (3) The number of incubators created through the small  
119 business incubator program;

120                   (4) The number of tenants and participants engaged in each  
121 incubator;

122                   (5) The number of jobs provided by each incubator and  
123 tenants and participant of each incubator;

124                   (6) The occupancy rate of each incubator;

125                   (7) The number of firms still operating in the state after  
126 leaving incubators and the number of jobs they have provided.

127                   10. There is hereby established in the state treasury a  
128 special fund to be known as the "Missouri Small Business

129 Incubators Fund", which shall consist of all moneys which may be  
130 appropriated to it by the general assembly, and also any gifts,  
131 contributions, grants or bequests received from federal, private or  
132 other sources. Moneys for loans, loan guarantees and grants under  
133 the small business incubator program may be obtained from  
134 appropriations made by the general assembly from the Missouri  
135 small business incubators fund. Any moneys remaining in the  
136 Missouri small business incubators fund at the end of any fiscal  
137 year shall not lapse to the general revenue fund, as provided in  
138 section 33.080, but shall remain in the Missouri small business  
139 incubators fund.

140 11. For any taxable year beginning after December 31,  
141 1989, a taxpayer, including any charitable organization which is  
142 exempt from federal income tax and whose Missouri unrelated  
143 business taxable income, if any, would be subject to the state  
144 income tax imposed under chapter 143, shall be entitled to a tax  
145 credit against any tax otherwise due under the provisions of  
146 chapter 143, or chapter 147, or chapter 148, excluding withholding  
147 tax imposed by sections 143.191 to 143.265, in the amount of fifty  
148 percent of any amount contributed by the taxpayer to the Missouri  
149 small business incubators fund during the taxpayer's tax year or  
150 any contribution by the taxpayer to a local sponsor after the local  
151 sponsor's application has been accepted and approved by the  
152 department. The tax credit allowed by this subsection shall be  
153 claimed by the taxpayer at the time he files his return and shall be  
154 applied against the income tax liability imposed by chapter 143, or  
155 chapter 147, or chapter 148, after all other credits provided by law  
156 have been applied. That portion of earned tax credits which  
157 exceeds the taxpayer's tax liability may be carried forward for up  
158 to five years. The aggregate of all tax credits authorized under this  
159 section shall not exceed five hundred thousand dollars in any  
160 taxable year.

161 12. Notwithstanding any provision of Missouri law to the  
162 contrary, any taxpayer may sell, assign, exchange, convey or  
163 otherwise transfer tax credits allowed in subsection 11 of this  
164 section under the terms and conditions prescribed in subdivisions

165 (1) and (2) of this subsection. Such taxpayer, hereinafter the  
166 assignor for the purpose of this subsection, may sell, assign,  
167 exchange or otherwise transfer earned tax credits:

168 (1) For no less than seventy-five percent of the par value of  
169 such credits; and

170 (2) In an amount not to exceed one hundred percent of  
171 annual earned credits. The taxpayer acquiring earned credits,  
172 hereinafter the assignee for the purpose of this subsection, may use  
173 the acquired credits to offset up to one hundred percent of the tax  
174 liabilities otherwise imposed by chapter 143, or chapter 147, or  
175 chapter 148 excluding withholding tax imposed by sections 143.191  
176 to 143.265. Unused credits in the hands of the assignee may be  
177 carried forward for up to five years. The assignor shall enter into  
178 a written agreement with the assignee establishing the terms and  
179 conditions of the agreement and shall perfect such transfer by  
180 notifying the department of economic development in writing  
181 within thirty calendar days following the effective day of the  
182 transfer and shall provide any information as may be required by  
183 the department of economic development to administer and carry  
184 out the provisions of this section. The director of the department  
185 of economic development shall prescribe the method for submitting  
186 applications for claiming the tax credit allowed under subsection  
187 11 of this section and shall, if the application is approved, certify  
188 to the director of revenue that the taxpayer claiming the credit has  
189 satisfied all the requirements specified in this section and is  
190 eligible to claim the credit.]

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